



Alberta Construction Association

April 5, 2019
Honourable Sandra Jansen
Minister of Infrastructure
Transmitted via: infrastructure.minister@gov.ab.ca

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Dear Minister Jansen:

RE: Resolution of the Outstanding Payments on the Grande Prairie Hospital Project

Two hundred forty thousand Albertans support their families and earn their living through construction. One in ten working Albertans are employed directly in the field in construction, with thousands more employed in related occupations and industries. Many of these hard-working skilled professionals work for the 3000 member companies of eight regional construction associations that comprise the Alberta Construction Association.

Our member firms and associations appreciate the opportunity to work with the Province of Alberta to build the schools, hospitals, and other public structures that serve their fellow Albertans. They often do so under challenging circumstances yet they rarely complain or seek the limelight. However, our associations have grown increasingly concerned about the financial impacts of the unresolved payments from the Grande Prairie hospital project. We feel compelled to speak out on behalf of our members, their employees and their families.

We acknowledge and applaud the leadership of your Government in addressing payment issues through your contracts. However, much of this good work now risks being undone because of the circumstances of one project.

We understand that more than two dozen contractors are seeking redress in the tens of millions of dollars on outstanding payments from the Grande Prairie hospital project. Some of the affected contractors indicate that payment has been outstanding in excess of 300 days.

These payments include work that has been certified for payment, but has not been paid. Rather than make payments in a timely manner as contemplated in the contract documents and relied on by all participants in the construction industry, the Government instead, 6 months later, has placed some funds into court. There is no guarantee as to how long the courts will take to conclude the process. It is also not clear the process and timeline to resolve the difference between the total claimed and the amount currently made available.

The protracted payment period puts the financial survival and livelihood of many Albertans at risk, for circumstances that are beyond their control.

Please resolve the outstanding payments on the Grande Prairie Hospital Project now.

Sincerely,

Ian Reid
Chairman, ACA

Serving Members of:



75
YEARS

