

CONSTRUCTION LIENS

A person, who supplies labour or material to an “improvement”, in order to better secure his right to be paid, is entitled to register a construction lien against the title to the land on which the improvement is being done.

If the labourer or material supplier is a subcontractor, or a “sub-subcontractor” his lien is, practically speaking, against the 10% holdback which the person who ranks above him on the “construction ladder” is obligated to retain for his benefit.

The construction lien must be registered within 45 days of the date of the last supply of labour or materials.

A court action, to perfect the lien, must be started within 90 days of the date of the last supply of labour or materials.

The *Construction Lien Act* procedure to enforce a construction lien is complicated and unique. It is different from usual Court procedures.

Often it is more practical and cost-effective for a labourer or material supplier, who is worried about not getting paid, and who is thinking of filing a lien, to forego doing so and sue instead in ordinary court, such as Small Claims Court or Superior Court.

I can outline to you all the relevant factors and considerations in this regard.

I have been practicing in the construction lien area for approximately 30 years.