



A Trade Contractor's Guide and Checklist to Construction Contracts

2016

CCA 53 draws the attention of trade contractors to certain clauses that frequently appear in construction contract or subcontract documents which can adversely affect the rights and obligations of the trade contractor. This document is a guide for trade contractors in reviewing contracts, no matter where they are positioned in relation to the project.

For copies of CCA 53, please contact your local construction association. For more information, please visit the CCA website – cca-acc.com.

CCA 53 includes information on:

- · Contractual responsibility;
- Design responsibility;
- Contractual implications of IPD and BIM;
- Conduit or flow-down provisions in subcontracts;
- Scope bidding and the description of the subcontract work;
- Payment clauses in subcontracts;
- Remedies for non-payment;
- · General insurance requirements;
- Protection-of-work clauses in subcontracts;
- · Warranties in subcontracts;
- Temporary site facilities;
- Delay provisions; and
- Change orders and change directives.

In addition, it includes a checklist that identifies issues that trade contractors need to be aware of and factor into their decision-making prior to bidding, signing, and commencing work. Examples of issues highlighted in the checklist include:

- Bidding as per 'plans and specifications' versus 'scope of work' basis;
- Shifting of risk or responsibilities to trade contractors in bid documents or specifications;
- Fees and taxes associated with permits, licenses, approvals, or other contingencies required for performance of the work;
- Use of performance specifications;
- · Terms and conditions in the subcontract agreement;
- Payment terms;
- Reasonableness of schedule for completion and penalty clauses; and
- Dispute resolution procedures.

A previous version of this guide was published in 2011. In comparison, CCA 53 has updated information on design responsibility, insurance, and contractual implications of IPD and BIM. There is concern that with the growth of certain project delivery models such as design-build, design assist, and P3s, the responsibility for engineering and design is downloaded onto trade contractors, and they may face great risk, particularly if they are unaware of the significance of carrying Errors and Omissions Insurance.