

# Suspension decision preparation guide

General information to help you organise your paperwork. Not legal advice.

## Start here

Use this kit when you are not being paid and are thinking about stopping work until you are.

## Do these three things today

1. Read your contract's payment, suspension and termination clauses before anything else. Stopping work without a right to do so can put you in breach of contract.
2. Send a written notice of payment default first (Notice of Payment Default) and keep proof of delivery.
3. If you do stop, make the site safe and record its condition (Site Shutdown Checklist and Site Condition Record).

There is no general right in Canada to stop work for non-payment. Get advice before you suspend.

## What is in this kit

| Document                                      | Use it to                                                                     |
|-----------------------------------------------|-------------------------------------------------------------------------------|
| Suspension decision preparation guide         | Start here: decide carefully before you stop work for non-payment.            |
| Contract suspension clause review             | Read your contract's suspension, default and notice clauses.                  |
| Payment default evidence checklist            | Gather proof of the unpaid amount and of the payment default.                 |
| Outstanding Payment Tracker                   | Track what is outstanding, what is disputed and what is holdback.             |
| Notice of payment default (template)          | Tell the customer in writing that payment is in default.                      |
| Notice of intended suspension (template)      | Give written notice before suspending, if your contract or the law allows it. |
| Suspension eligibility review checklist       | Check each condition before you suspend.                                      |
| Construction site shutdown planning checklist | Leave the site safe and secure if work stops.                                 |
| Site condition and handover record            | Record the site condition at the moment work stops.                           |
| Suspension Cost and Delay Tracker             | Track the costs and delay caused by the suspension.                           |
| Work resumption agreement (template)          | Agree in writing how and when work restarts.                                  |
| Official sources by province and territory    | Official payment, lien and safety sources by province.                        |

## Key time limits: construction liens

A lien (in Quebec, a legal hypothec) is a claim against the property you improved. It is lost if it is not registered in time, and a registered lien is lost if the next step is not taken in time. The periods below are quoted from each statute as checked on 2026-10-24. The event that starts the clock depends on your contract and role, and some Acts count "clear" days, so read the section for your situation and act well before the last day.

| Province                                                                                    | Register the lien within                                                                                                                                                                                                                                                                                                                                   | Then, to keep it                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Alberta<br>Prompt Payment and Construction Lien Act                                         | 60 days (90 days for concrete work or materials and for oil or gas well sites), counted from the last day you supplied work or materials, or from abandonment (s. 41)                                                                                                                                                                                      | Start a court action and register a certificate of lis pendens within 180 days after the lien is registered (s. 43(1))                                                                                           |
| British Columbia<br>Builders Lien Act                                                       | 45 days after a certificate of completion is issued, or otherwise 45 days after the head contract (or the improvement) is completed, abandoned or terminated (s. 20)                                                                                                                                                                                       | Start a court action and register a certificate of pending litigation within 1 year after filing; an owner (or another claimant who has sued) can shorten this to 21 days by serving a notice (s. 33(1) and (2)) |
| Manitoba<br>The Builders' Liens Act                                                         | 60 days after substantial performance or abandonment (materials: 60 days after the last materials, whichever comes first) (s. 43)                                                                                                                                                                                                                          | The lien ends 2 years after registration unless an action is started first; this can be shortened to 30 days by a notice to start an action (ss. 49(2) and 50)                                                   |
| New Brunswick<br>Construction Remedies Act                                                  | 60 days after the earliest of substantial performance being certified or declared, or the contract being completed, abandoned or terminated (ss. 59 to 61)                                                                                                                                                                                                 | The lien ends 90 days after registration unless an action to enforce it is started first (s. 64(2))                                                                                                              |
| Newfoundland and Labrador<br>Mechanics' Lien Act                                            | 30 days after the contract or subcontract is completed or abandoned (materials: 30 days after the last delivery; services: 30 days after completion) (s. 22)                                                                                                                                                                                               | A registered lien stops existing 90 days after the work is completed or the materials are provided, unless an action is started first (s. 24(1))                                                                 |
| Ontario<br>Construction Act                                                                 | 60 days after the earlier of publication of the certificate or declaration of substantial performance, or the contract being completed, abandoned or terminated (s. 31)                                                                                                                                                                                    | Perfect the preserved lien (start the action and register a certificate of action) within 90 days after the last day it could have been preserved (s. 36(2))                                                     |
| Quebec<br>Civil Code of Québec<br>(legal hypothec of persons who took part in construction) | The hypothec lasts 30 days after the work is completed; to keep it, register a notice describing the property and the amount before those 30 days end, and serve it on the owner. A subcontractor or supplier without a contract with the owner is protected only for work supplied after written notice of its contract to the owner (arts. 2726 to 2728) | It is extinguished 6 months after the work is completed unless an action is published against the owner or a prior notice of exercise of a hypothecary right is registered (art. 2727)                           |
| Saskatchewan<br>The Builders' Lien Act                                                      | 40 clear days after the triggering event (a copy of the certificate of substantial performance being given, or completion or abandonment of the contract) (s. 49)                                                                                                                                                                                          | Only a registered lien can be enforced by action; the action must be set down for trial within 2 years after it is started (ss. 54 and 55(1))                                                                    |

Time limits not included in this edition: Nova Scotia, Northwest Territories, Nunavut, Prince Edward Island, Yukon. Read the Act on the government website.

## Key time limits: prompt payment

Where prompt-payment rules apply, an owner must pay a "proper invoice" (an invoice with the content the Act requires) within a fixed time, and can refuse only by giving a notice in time.

| Where                                                       | Owner pays                                                    | To dispute                                                | Paying subcontractors                                                                                                                  | Section                                                          |
|-------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Ontario                                                     | 28 days after receiving a proper invoice                      | Notice of non-payment within 14 days of receiving it      | Pay subcontractors within 7 days after receiving payment; if the owner has not paid, by day 35 unless a notice of non-payment is given | Construction Act ss. 6.4 and 6.5                                 |
| Alberta                                                     | 28 days after receiving a proper invoice                      | Notice of dispute within 14 days of receiving it          | Pay subcontractors within 7 days after receiving payment; if the owner has not paid, by day 35 unless a notice of non-payment is given | Prompt Payment and Construction Lien Act ss. 32.2 and 32.3       |
| Saskatchewan                                                | 28 days after receiving a proper invoice                      | Notice of non-payment within 14 days of receiving it      | If the owner has not paid in full, pay subcontractors by day 35 unless a notice of non-payment is given                                | The Builders' Lien Act s. 5.4 and following                      |
| Manitoba                                                    | 28 days after the proper invoice is given                     | Notice of non-payment within 14 days, giving every reason | Pay subcontractors within 7 days after receiving payment; if the owner has not paid, by day 35 unless a notice of non-payment is given | The Builders' Liens Act ss. 90 to 94                             |
| Federal projects only (federal real property or immovables) | No later than the 28th day after a proper invoice is received | Notice of non-payment under the Act                       | Contractor pays subcontractors no later than the 35th day; each further tier adds 7 days                                               | Federal Prompt Payment for Construction Work Act ss. 5, 9 and 10 |

These rules apply only to contracts covered by each Act (transition rules decide which contracts). British Columbia, New Brunswick and Newfoundland and Labrador had no prompt-payment provisions in the statutes checked. The periods are counted from receipt of a proper invoice, which must contain the information the Act requires.

## Check the basis before changing performance

Use this kit when payment default may lead to a proposed suspension. An overdue ledger is evidence for review, not permission to stop work. Keep a commercial suspension decision separate from an immediate safety response; both require the appropriate people and procedures.

- ☐ Reconcile the debtor account and verify the payment obligation and relevant due date.
- ☐ Get the complete suspension clause, default provisions, notice rules and incorporated terms.
- ☐ Identify any statutory regime, court order, bond, lender or owner requirement for review.
- ☐ Record notices already sent, their exact wording and delivery evidence.
- ☐ Ask a qualified reviewer to confirm any required cure period and the earliest permitted action, with source and assumptions.
- ☐ Assign a person to monitor payment, responses and changed facts before the proposed action.

## Decision point

If the basis, timing or notice method is uncertain, keep the proposed suspension unapproved and obtain review. Do not use an internal target date as a legal cure deadline or assume that silence authorizes a shutdown.

## Assess consequences and alternatives

| Area                  | Question to resolve                                            | Record  |
|-----------------------|----------------------------------------------------------------|---------|
| Continuing work       | What limited work or security arrangement is feasible?         | [enter] |
| Site protection       | Who maintains weatherproofing security and essential services? | [enter] |
| Trades and suppliers  | What commitments and cancellation costs arise?                 | [enter] |
| Schedule              | Which activities are affected and which delays overlap?        | [enter] |
| Insurance and permits | What notifications or conditions need checking?                | [enter] |

Fictional example: CAD 20,000 remains unpaid, but CAD 3,000 is an identified disputed extra. Record both amounts and obtain review of the default relied on. A request to pay the ledger total does not establish that every amount supports suspension.

- ☐ Consider a documented payment arrangement or other reviewed alternative.
- ☐ Estimate avoidable and unavoidable costs separately.
- ☐ Do not remove another party's property or abandon protective responsibilities.
- ☐ Keep legal authorization and safety readiness as separate approvals.

## Control the transition and resumption

If suspension is actually authorized, define affected work, effective time, notice recipients, site custodian and continuing protective tasks. Use the shutdown checklist and handover record. The templates in this kit require project-specific completion and review before sending or acting.

- ☐ Recheck receipts and responses immediately before implementing the approved action.
- ☐ Document the site condition with dated photographs and inventory.
- ☐ Assign monitoring frequency, emergency contacts and access arrangements.
- ☐ Log actual costs and mitigation with evidence; a cost record is not automatic recoverability.
- ☐ Agree written resumption conditions and verify site readiness before restart.

Decision owner and legal reviewer: \_\_\_\_\_

Safety lead and site-specific plan: \_\_\_\_\_

Outstanding conditions and next review: \_\_\_\_\_

Nothing in this guide authorizes suspension, termination, equipment removal or waiver of a safety duty.

Before you act: this document is general information prepared by ArtBuild to help you organise facts and paperwork. It is not legal advice and has not been reviewed by a lawyer for your situation. Rules differ by province and territory and change over time. Check the official source for your project, and for deadlines, liens, court or insolvency steps, speak with a lawyer licensed where the project is located.