

Unpaid construction payment recovery guide

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

Start here

Use this kit when a customer has not paid a construction invoice: you are a contractor, subcontractor or supplier and the money is overdue.

Do these three things today

1. Check your lien time limit first. Find your province or territory in the "Key time limits" table and count from your last day of work or supply. If the date is close, call a construction lawyer today: a payment request does not stop the clock.
2. Work out exactly what is owed with the Unpaid Invoice Tracker: invoices, credits, payments received, holdback and any disputed items, each counted once.
3. Send a clear written payment request using the Payment Demand Letter, with your statement of account attached. It is a business letter, not a lien or a legal notice.

Most unpaid contractors who lose their lien rights do so by waiting. Collection calls and promises to pay do not extend a lien period.

What is in this kit

Document	Use it to
Unpaid construction payment recovery guide	Start here: what to do first, and the key time limits by province.
Construction payment demand letter	Ask the customer in writing to pay, with a statement of account attached.
Unpaid Invoice Tracker	Work out what is owed: invoices, credits, payments, holdback and disputes.
Construction payment evidence checklist	Gather the records that prove what was agreed, supplied, invoiced and paid.
Contract payment terms review	Note what your contract says about invoices, due dates, holdback and disputes.
Payment Deadline Calculator	Count dates from a trigger you have confirmed, with the basis recorded.
Construction lien eligibility checklist	Collect the facts a lawyer needs to decide whether you can register a lien.
Lien Deadline Tracker	Keep each confirmed lien date, its source and who is responsible in one place.
Prompt payment and adjudication guide	Prepare for prompt-payment and adjudication rules where they apply.
Payment dispute evidence pack	Assemble one indexed file of the dispute for your adviser.
Payment recovery action plan	Assign each recovery step to a person with a target date.
Official sources by province and territory	Official laws, courts and registries by province and territory.

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 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 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 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 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 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 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 Civil Code of Québec (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 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.

Establish the account before escalating

Use this guide when a construction invoice has not been paid. The immediate task is to establish who owes what, preserve the supporting records and assign someone to check any time-sensitive legal options. A disputed invoice, an unpaid holdback and a missing payment allocation are different problems.

First working session

- ☐ Identify the exact legal names of your customer and your contracting entity. A site contact or project name is not necessarily the debtor.
- ☐ Save the signed contract, purchase order, accepted quotation and amendments. Record the project address, province or territory, owner type and whether the work is residential or commercial.
- ☐ Export invoices, credits and bank receipts as of one reconciliation date. Match each receipt to an invoice; flag unapplied receipts instead of allocating them by guesswork.
- ☐ Separate outstanding ledger balance, retained holdback, disputed items and unapproved extras. Do not add a change order again if it is already on an invoice.
- ☐ Record known completion, termination, last-supply and notice dates with the evidence for each. Assign urgent jurisdiction-specific deadline review; do not wait for a customer callback.

Choose the next operational step

Finding	Next step
No proof the invoice arrived	Resend to the contractual billing contact and retain delivery evidence.
Customer identifies a specific dispute	Request itemized reasons and supporting documents; keep the undisputed portion separate.
A receipt or credit is missing	Reconcile the ledger before sending a revised statement.
Insolvency notice or uncertain deadline	Obtain prompt professional review; use EP02 if insolvency is involved.

Reconcile and communicate

Use the Unpaid Invoice Tracker to work from gross invoiced amounts including tax. Record credits and payments once. Retained holdback is part of the remaining ledger balance, not an additional debt. A ledger balance is not a conclusion about the amount legally recoverable today.

Fictional reconciliation example

Item	CAD
Gross invoices including tax	12,000.00
Credits issued	500.00
Payments allocated	4,000.00
Ledger balance	7,500.00
Holdback within that balance	1,000.00
Balance excluding retained holdback	6,500.00

If CAD 2,000 of the CAD 6,500 is disputed, record that issue separately. Do not silently reduce the ledger or present the disputed amount as legally established. Interest, collection costs and unapproved extras need their own contractual and legal basis; they are excluded from this example.

Follow up in writing

Send a factual statement listing the contract, invoices, credits, receipts and resulting balance. Ask the customer to identify any disagreement by invoice and line item and provide a payment status. Choose a requested response date as an administrative follow-up target. Do not label that target a statutory deadline.

Person responsible for reconciliation: _____

Billing recipient and notice address checked against contract:

Requested response date and follow-up owner: _____

Disputed items and evidence still missing: _____

Preserve options without assuming entitlement

The demand letter in this kit is a contractual payment request, not a lien, notice of non-payment, adjudication notice or work-suspension notice. Do not stop work, threaten a specific statutory remedy or release rights based only on this guide.

- ☐ Have a qualified adviser confirm jurisdiction, project type, contract tier, transition rules and any available process.
- ☐ Have each applicable payment, notice, lien preservation, enforcement and court deadline confirmed separately. A reminder date is not a filing deadline.
- ☐ Record the official source, provision, triggering facts, calculation convention and reviewer for each date.
- ☐ Maintain an indexed evidence pack and record the outcome of every customer contact.
- ☐ If payment is offered, confirm allocation, any conditions and remaining balance before signing a release or settlement.

Escalation handoff

Unresolved amount and customer response: _____

Earliest uncertain deadline or triggering event: _____

Adviser and appointment: _____

Documents sent and secure delivery method: _____

Next action, owner and agreed review date: _____

These operational steps can be used for residential or commercial record preparation, but consumer rules, public projects, insolvency and statutory procedures require separate review.

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.