

# Payment Terms Legislation In Canada



## Canada

Please see below for a summary of payment terms in Canada and the various industries across which payment term legislation appears.

Industries	Laws	Codes	Notes
Construction	✓		
Manufacturing			
Retail/Agriculture			✓

## LAWS

The Federal Prompt Payment for Construction Work Act made changes to the Construction Act limiting payment terms for federal projects to 42 days being, 28 days for payment to the prime contractor, 7 days for following payments to subcontractors and a further 7 days for those sub-contractors to pay their suppliers. Each Canadian province has or is in the process of setting additional late payment law for construction.

[Construction](#)

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## NOTES

Appendix TPI of the General Conditions of a Service Contract with the Public Services Commission of Canada sets a standard term of 30 days for public service contracts.

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The grain financial protection program in Canada requires licensees to make payments to producers and owners within 10 days for sales on delivery, although deferrals are possible.

[Retail/Agriculture](#)

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