

# Bonding Builds Confidence: Protecting Projects, People, Public Funds

**Surety bonds unite financial assurance with project accountability, ensuring work is finished, workers are paid, and taxpayer dollars deliver full value—no matter the economic climate.**

## → EVIDENCE AT A GLANCE

PROTECTION ASPECT	LOW-RISK ECONOMY (STATUS QUO) <i>Per \$1 M premium</i>	HIGH-RISK ECONOMY (1990S-STYLE) <i>Per \$1 M premium</i>
GDP SAFEGUARDED	\$4.80 M	\$32.86 M
JOB PRESERVED	35.3 jobs	241.8 jobs
TAX REVENUE RECOVERED	\$0.52 M	\$3.59 M
SOCIAL VALUE CREATED	\$2.78 M	\$19.04 M

All figures are for public infrastructure projects using both **performance + payment** bonds. Over 150,000 surety project records (performance and payment bonds) since 2015 used to explore the value proposition and drive the analysis.

## → WHY IT MATTERS

### 10X INSOLVENCY PROTECTION

Bonded construction firms are **ten times less likely** to fail than non-bonded firms.

### 5:1 BASELINE PAYBACK

Even in calm markets, every premium dollar returns **5X** its cost in protected GDP.

### ECONOMIC SHOCK ABSORBER

During downturns, the payback soars to **33X**, keeping projects on-track when British Columbia needs them most.

### WELL-BEING SHIELD

By safeguarding wages and subcontractor payments, bonding preserves household stability and community vitality.

### FISCAL PRUDENCE

Treasuries gain: **\$3.59** in tax revenue is secured for every premium dollar in high-risk periods.

→ POLICY INSIGHT

PERFORMANCE + PAYMENT BONDS DELIVER SUPERIOR, SYSTEM-WIDE BENEFITS BY:

**1** Ensuring completion of critical infrastructure (water, transit, health-care facilities).

**2** Paying subcontractors and suppliers on time, preventing cascading failures through supply chains.

**3** Reducing contingency costs and lender risk-premiums embedded in project pricing.

For more information:



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→ CALL TO ACTION

Ensure that all government-funded capital projects are protected by mandated performance + payment surety bonds.

View the reports at [suretycanada.com](http://suretycanada.com)

