

Bonding Builds Confidence: Protecting Projects, People, Public Funds

→ EVIDENCE AT A GLANCE

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.

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	\$3.85 M	\$27.24 M
JOB PRESERVED	29.4 jobs	207.6 jobs
TAX REVENUE RECOVERED	\$0.43 M	\$3.02 M
SOCIAL VALUE CREATED	\$1.32 M	\$9.36 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.

4:1 BASELINE PAYBACK

Even in calm markets, every premium dollar returns **4X** its cost in protected GDP.

ECONOMIC SHOCK ABSORBER

During downturns, the payback soars to **27X**, keeping projects on-track when Canada needs them most.

WELL-BEING SHIELD

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

FISCAL PRUDENCE

Treasuries gain: **\$3.02** 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

