

# CONSTRUCTION RISK IS RISING

## THE RIGHT BROKER MATTERS MORE THAN EVER



The risk environment for Canadian contractors has changed dramatically over the last several years. Rising construction costs, supply chain disruptions, labour shortages, increasingly complex contracts, and growing claim severity have created challenges that require expertise far beyond basic program policies.

In today's market, contractors need an experienced broker with the commitment and capabilities to fully understand their business, anticipate risk, present options, and provide innovative solutions to minimize risk and avoid negative business impacts.

### **Coverage shouldn't only be about cost. It's about understanding what it could cost you.**

Too often, insurance is viewed as a transactional purchase driven primarily by price. But when a serious claim occurs, a project is delayed, or contractual obligations create unexpected liabilities, the value of the broker relationship quickly becomes clear. The difference between a broker who provides standard insurance placements versus a broker who serves as a strategic risk partner can have significant financial impacts and operational consequences.

Contracts are a perfect example. Many construction agreements now include extensive indemnification requirements and additional insured obligations, as well as strict safety and compliance expectations. Contractors are increasingly being asked to assume greater responsibility and broader risk than ever before. These provisions can directly impact insurance coverage, claims outcomes, and legal exposure.

### **Safety is not simply for 'show'**

At the same time, insurers are scrutinizing contractor operations more closely. Safety performance, subcontractor management, claims history, and contractual controls, all play a growing role in underwriting decisions and pricing. In a challenging insurance market, strong broker advocacy, loss control support and market relationships matter.

Increasingly, insurers are looking beyond claims history alone and evaluating the overall operational maturity of contractors. Leadership engagement, subcontractor oversight, safety records, incident management processes, and workers' compensation trends have also become critical indicators of risk quality and long-term stability.



A strong safety culture is no longer viewed as a mere compliance requirement. It has become core function of business strategy that can directly influence insurability, pricing, project eligibility, operational resilience, and client confidence.

### **The right broker for your business**

Today, the most effective brokers not only understand the connection between insurance, operational risk, and safety performance—they have the experience, market relationships, and right technical resources to deliver a comprehensive program. Helping contractors strengthen their overall risk profile before issues arise, rather than simply responding after a loss, has become an increasingly important part of the broker/client relationship.

That is where experience and expertise become critical.

As a broker focused solely on construction, AG Canada knows that contractors require practical solutions, tailored to the realities of their operations. Our local Canadian teams work closely with clients to identify exposures, review contractual obligations, support safety and risk management initiatives, and advocate for clients in the marketplace. But, equally important, is the strength behind those relationships.

### **No borders. Just business.**

As Canadian entities, AG Canada and AG Assurances Québec provide local leadership, service and expertise. However, clients also benefit from the collective experience of, and unfettered access to, the much broader network of our entire team of specialists, resources, and industry experts. AG Canada is supported by more than 200 colleagues across North America and Europe, who maintain deep relationships throughout the insurance and surety industries, enabling us to provide unique perspectives, greater leverage, and innovative solutions for our clients.

Contractors often face challenges that cross provincial, economic or international boundaries, making it more critical than ever that the business environment remain interconnected. Whether navigating changing project requirements, supply chain pressures, evolving markets, or other contractual complexities, you need an experienced cross-border broker who gives you a competitive edge.

### **Choose partnership over price**

To grow and succeed in challenging environments, contractors need a broker partner who is accessible, proactive, responsible, and accountable. At AG Canada, we continually monitor total cost of risk, but we're invested in long-term client relationships, rather than annual renewals. We serve as experienced advisors who help clients to better understand risk, strengthen their position with insurers, and help them navigate uncertainty with confidence.

The economic and political landscapes will shift as the industry grows more complex, but contractors who surround themselves with capable strategic partners will be better protected and better positioned for growth. Choosing partnership over price will pay far greater dividends in the long run.

Discover the difference with AG Canada.

Start a conversation today. Contact our team at [canada@americanglobal.com](mailto:canada@americanglobal.com) or visit: [www.americanglobal.ca](http://www.americanglobal.ca) to learn more.



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