

Choosing the right contractor to work on your home is an important decision. Here are some questions to ask and some tips to consider when choosing the right contractor for you.

### **1. Is the contractor in good standing with Yukon Workers Compensation Health and Safety Board?**

Law in the Yukon requires that all employers have Workers Compensation coverage. Workers Compensation Insurance protects employers and employees in the unlikely event of an accident on your property. To confirm coverage, call *Yukon Workers Compensation Health and Safety Board* directly at 867-667-5645 to request a **Compliance Letter** for any contractor you are considering doing business with. Any reputable contractor should also be able to provide you with a current letter upon request. If a contractor cannot provide a Compliance Letter or is not in good standing with YWHSCB move on. Not only is not carrying coverage illegal, it may also allow non-compliant companies to under-bid a reputable contractor by foregoing the protection and safety of their employees.

### **2. Does the contractor carry liability insurance?**

Any contractor working on your home should carry a minimum of \$1,000,000.00 in liability insurance. In the unlikely event that property damage occurs or someone is injured on your property, you and/or your homeowners insurance could be held liable. Upon request, any reputable contractor will provide you with **Certificate of Insurance**. Be sure the certificate is current and that it clearly covers the type of work to be performed by the contractor. If you have any questions the contractor or the Insurance Carrier identified on the Certificate of Insurance should be able to answer them.

### **3. Does the contractor have a valid Yukon Business License?**

All for-profit companies operating in the City of Whitehorse are required to hold a valid business license. Companies are also required to hold a valid inter-municipal business license if they are conducting business in Yukon communities. You can call the City of Whitehorse directly to inquire if the contractor you are considering doing business with holds a valid business license at 867-668-8346. Reputable companies will also provide a copy of their business license upon request and will usually have their business license displayed at their place of business. If a contractor does not have a valid business license move on. They are breaking the law by conducting business in the Yukon.

### **4. Is the contractor COR or SECOR certified by the Northern Safety Network Yukon?**

Although not required to conduct business in the Yukon, "the *Certificate of Recognition* [or *Small Enterprise Certificate of Recognition*] is an occupational health and safety accreditation program that verifies a fully implemented safety & health program which meets national standards"<sup>1</sup>. Ask any contractor you are considering doing business with if they have obtained *COR* or *SECOR* certification. If they haven't, be sure to inquire about

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<sup>1</sup> [www.yukonsafety.com](http://www.yukonsafety.com)



the health and safety practices of the contractor. For example, do they conduct regular safety meetings and are employees properly trained to do their jobs safely?

## **5. How long has the contractor been in business?**

Knowing how long any contractor you are considering doing business with has been operating is a key piece of information you will need in order to make a fully informed decision. Generally, a contractor that has been in business for 5 years or more can be considered “established”. There are 3 factors you will want to consider:

### 5.1 Warranty

The value of any contractor’s warranty claims can be measured in part by whether or not you can reasonably expect that the contractor will still be in business to resolve issues if they arise.

### 5.2 References

A well-rounded reference portfolio will include references that are recent and references that are 1, 2 or 5 years old. It’s important to know that a contractor is doing quality work now, but it is also important to know if that work has stood the test of time.

### 5.3 Experience

Generally, the longer a contractor has been in business, the more likely it is that they have dealt with particular issues you may be having and know how to address them successfully.

## **6. Does the contractor warranty their products and guarantee their workmanship?**

Most contractors will provide a time-limited warranty against material defects. These are generally standardized warranties provided by the manufacturer of the product. A reputable contractor will also provide homeowners with a workmanship guarantee. The term of workmanship guarantees will vary by contractor. Contractors who specialize in their skill and those who have been in business for 5 years or more will likely offer longer and more reliable workmanship guarantees. If a contractor does not guarantee their workmanship, move on.

## **7. Does the contractor maintain a permanent business address and phone number?**

In today’s information age, this is a small and often over-looked piece of information. Contractors will know your name, your address and your phone number – why shouldn’t you know theirs? It is important to be sure that you know how and where to get in touch with your contractor when you need to.

## **8. Do you need a General Contractor or a Specialized Contractor?**

If the scope of work you are undertaking is large or varied, a General Contractor may be right for you. General Contractors oversee projects and hire specialized sub-contractors to complete specific areas of work. If you hire a General Contractor be sure that their sub-contractors meet your standards. You may not have control over which sub-contractors the General will hire. If the job is small or specific a Specialized Contractor is the right choice. Specialized Contractors, who focus on one area of the home improvement industry, will generally have a higher degree of expertise and have the specialized equipment and training to complete the work to your satisfaction.



## 9. How do you feel about the contractor?

Never underestimate the importance of liking the contractor you are going to do business with. Trust your gut. In your opinion, does the contractor seem open, honest, knowledgeable, friendly and willing to take the time to answer your questions? If you don't feel completely comfortable with a contractor, move on. Developing and maintaining a good relationship with your contractor is in everyone's best interest and will ultimately help you feel more at ease.

## 10. Is the lowest price always the best deal?

The most competitive bid you get on your project may not end up saving you money – and it could end up costing you more. When you are considering price, consider these four factors:

### 10.1 Comparable Bids

Be sure that the bids cover the same scope work. A bid could appear lower because it does not include all of the work that you need to have done. This could result in additional charges after the contractor has started the project. Be sure you and your contractor have the same understanding of what the entire scope of work is.

### 10.2 Quality of Products

Sometimes a lower price could mean you are getting lower quality products. Always ensure your contractor is using materials that meet or exceed industry standards.

### 10.3 Safety Costs

Upstanding contractors spend more money making sure you and their employees are valued and safe. Regular safety training and skill development training for employees benefits everyone. Worker's compensation and liability insurance coverage ensures that if an accident does occur, there are resources available to address the matter. Safety costs may result in a slightly higher price to the public. If you have to choose between a contractor that values safety and carries coverage and a contractor that doesn't – choose safety first. It matters.

### 10.4 Ask your contractor the questions on this Sheet

How does the price compare to how the contractor responds to the questions on this sheet? If your contractor can answer all of these questions to your satisfaction and you feel comfortable with them – that may be more important than whether or not they are the lowest bid. You usually will get what you pay for – this can work in your favor or end up causing you grief.

## 11. Do I need a signed contract?

The Canadian Home Builders Association recommends that homeowners sign a contract indicating the scope of work, timeline, payment schedule, warranty and confirmation of all applicable licenses and insurance. In some cases, a quote or estimate will include all the required information but if you feel more comfortable signing a contract, insist on it. For more useful information visit [www.hiringacontractor.com](http://www.hiringacontractor.com).

**Note: This document is the opinion of Twin Peaks Construction and is provided for information purposes only.**