

ICE STORM SHOWS IMPORTANCE OF RISK MITIGATION

Severe weather events cost the Canadian insurance industry \$3.2 billion in insured losses in 2013 – that's the highest in Canadian history

ACCUMULATION

The worst-hit areas were around the shores of Lake Ontario, where ice accumulation on surfaces reached 2 to 3 centimeters in some locations – easily enough to topple trees and other vulnerable structures

Source: Globe and Mail

POWER



130,000

Number of calls to Toronto Hydro's call centre (a regular day for the centre is about 3,000 calls). Over 10 days, the centre received 374,000 calls.



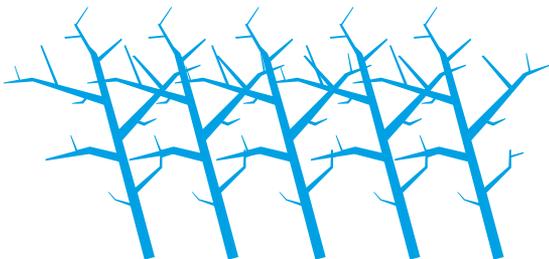
416,000

Number of Toronto Hydro's approximately 725,000 customers (57%) who lost power during the ice storm



ASSESSING THE DAMAGE

The City of Toronto had 10.2 million trees to assess for damage after the storm.



DEBRIS

City crews dealt with between 400 and 500 truckloads of chipped-up twigs, branches and brambles daily. Cleanup began Jan. 3 and lasted eight weeks.

Source: Toronto Star



In the wake of the ice storm, trucks carted away about 40,000 tons of branches and limbs that had fallen or been removed from trees. By comparison, the city gathered about the same amount of yard waste in five months in 2013.

Source: Metro News

Although catastrophes like the 2013 ice storm have a major impact on insurance, weather events of any size can be costly and disruptive.

The government, insurance companies and brokers all play an important role in preparing Canadians for severe weather. It's up to insurers to lead the charge in investing in technology to better understand changing weather patterns and to educate and support brokers and their clients on how to mitigate and prevent the associated risks.

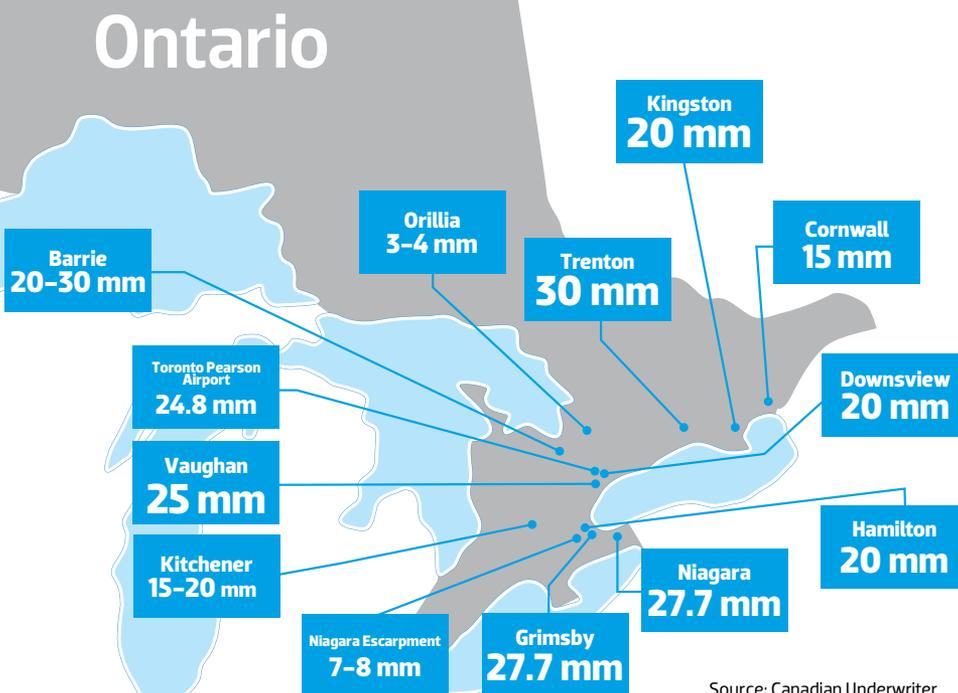
RSA has heavily invested in technology like flood

mapping and geocoding to not only have a greater understanding of the weather, but also to help better assess, underwrite and price business. Its Climate Smart resource hub (www.rsabroker.ca/climatesmart) gives you access to tools and tips designed to help you inform, educate and support your clients.

You also can check out tips from Alex Walker, RSA's national claims relationship director, on page 21 for advice you can share with your clients on how to prepare their homes for extreme winter weather.



WORST-HIT AREAS (ICE ACCUMULATION ON DEC. 21-22)



Source: Canadian Underwriter



\$106 million

The cost of the ice storm that plunged Toronto into darkness



\$171 million

Total cost of extreme weather events in the city in 2013

Source: National Post

IBC STATS



Insured losses totaled \$200 million, mostly due to claims for homes damaged by trees that fell as a result of ice buildup.



Year-end severe weather cost insurance companies a total of \$3.2 billion, which is the highest in Canadian history.



Insurers paid more than \$25 million in claims for vehicles damaged in the storm.