



# Flood Insurance in Canada

## Overview

CAS Spring Meeting, May 24<sup>th</sup> 2017

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## State of the Market

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- Sewage backups covered, often with sublimits depending on zone.
- Overland water coverage (for water flowing over land and seeping in through windows, doors and cracks) was not available for personal lines until 2-3 years ago. Available for commercial lines through water endorsements with specific deductibles & limits.
- Since the 2013 flood events in Alberta and Ontario, many large insurance companies have introduced personal lines coverage, mostly in controlled rollout (i.e. introduce in one region, check how product responds, then expand to other regions).
- As this point, over 90% of Canadian households would be eligible for coverage, with the vast majority of insurance companies offering or in the process of offering personal lines flood product.
- In some cases, insurers will offer an “overall water” product covering sewage back up and overland water coverages; other insurers continue to offer separate coverages.
- Market is a fast-moving landscape with coverages/rates/loss modeling/segmentation/etc. evolving constantly.

# Disaster Financial Assistance Programs

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- Provided by federal, provincial and territorial governments.
- Federal government provides financial assistance to provinces and territories over thresholds (\$ per capita of provincial or territorial population). Assistance paid to province and territory, not directly to affected individuals, small business or communities.
- Intent is to return essential property (primary home or main business premises ) to its basic function. Financial assistance subject to caps and deductibles.
- Programs are second payer after any applicable private insurance.
- Eligible applicants must fill and submit government forms.