



IBC

Insurance Bureau
of Canada

Wildfires and Insurance

Squamish-Lillooet Regional District Community Recovery Meeting

July 15, 2024 | **Rob de Pruis**, National Director, Consumer & Industry Relations



Agenda

- Who is IBC
- Residential Property Insurance
- Insurance Availability
- Future Premiums
- IBC's Consumer Information Centre



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Who We Are

IBC is the national industry association representing the vast majority of Canada's home, car and business insurance companies.

We rely on the collective expertise of our members and leadership team to create policy positions, advocate for a competitive and sustainable market and influence meaningful change in the insurance industry.



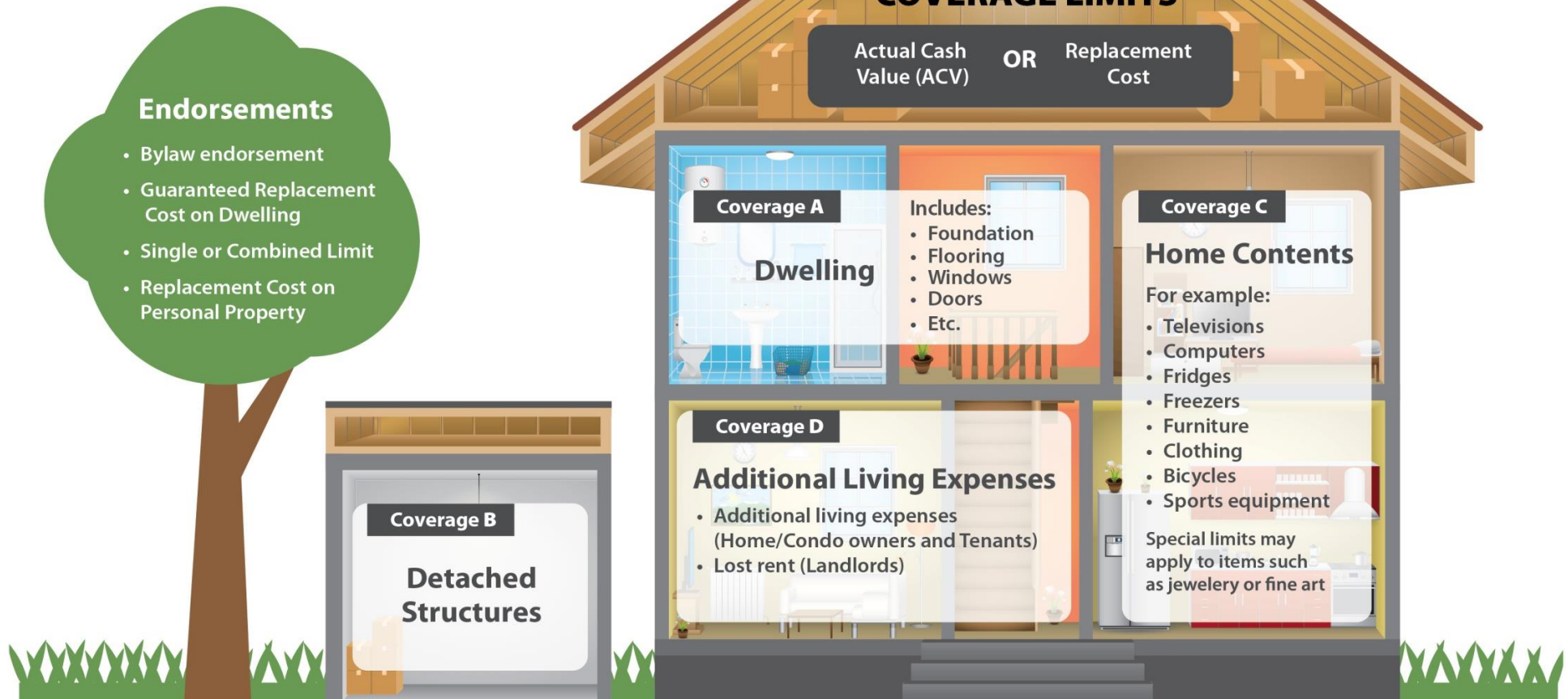
Residential Property Insurance



Basic Elements of Home Insurance

Endorsements

- Bylaw endorsement
- Guaranteed Replacement Cost on Dwelling
- Single or Combined Limit
- Replacement Cost on Personal Property



Home insurance provides coverage for rebuilding on the same site, up to your policy's limit. You can rebuild elsewhere, but the coverage would be limited to the depreciated value of your home.

A typical home insurance policy DOES NOT cover:

- property taxes
- condo fees
- mortgage payments
- the land



Property (Home and Business) Insurance Basics

Commonly insured perils:	Optional perils:	Uninsured perils:
<ul style="list-style-type: none">• Wildfire/fire/smoke	<ul style="list-style-type: none">• Overland flood	<ul style="list-style-type: none">• Landslide and other earth movement
<ul style="list-style-type: none">• Wind/tornado	<ul style="list-style-type: none">• Sewer back-up	<ul style="list-style-type: none">• Storm Surge or Tsunami
<ul style="list-style-type: none">• Hail	<ul style="list-style-type: none">• Earthquake	
<ul style="list-style-type: none">• Explosion		
<ul style="list-style-type: none">• Lightning		



Claims Process

Things to note about the claims process:

- 1. Insurance policies vary – your neighbor could have different wordings and limits.** Insurance policy terms, conditions and limits do vary, so check with your adjuster on how your policy will respond to your claim. Your coverage is unique to you.
- 2. You can choose the service provider you want to complete repairs.** Your insurance company does control costs and will pay for reasonable expenses for repairs or rebuild.
- 3. Some repairs only cover Actual Cash Value.** Review your policy carefully, and ask questions.
- 4. Cash settlement.** You can request a ‘cash settlement’ and take on the repairs yourself. Speak with your insurance rep to understand what this means for future claims.



Two-year Time Limitation

- Insurance policies have a two-year limitation for the settlement of claims
- All matters related to your claim should be finalized by the two-year mark
- There are ways to extend this time period, if more time is required including:
 - Ask for a voluntary extension in writing
 - File a legal action to preserve the limitation period
- **NOTE – a time extension does not increase your policy limits**



Dispute Resolution

What to do if you disagree with an assessment or settlement?

- Contact adjuster/insurance rep
- Share info/invoices/support as needed
- Review the insurer's complaint resolution process on their website
- Outline your concerns in writing. Be concise.
- Contact the General Insurance OmbudService (GIO)
- Reach out to IBC



Insurance Availability

- Fire insurance has been around for hundreds of years
- While Canada is becoming riskier, 2023 was an anomaly year for wildfire
- Fire insurance remains available throughout BC and the rest of Canada; now and in the foreseeable future
- Having an open claim can make it more difficult to get insurance with another provider
- **California has very different insurance regulations compared to Canada and California is now updating their regulations**



Future Premiums

- No single wildfire event automatically increases everyone's insurance premiums
- The insurance industry is well capitalized for these events
- Many factors go into future premiums including claims costs, inflation, labor & skilled trade costs, price of materials, potential for future loss or damage, among many others
- Increased rebuild/replacement costs can impact future premiums
- **There are many options available for insurance coverage and providers, so shop around!**

IBC's Consumer Information Centre (CIC)

People who have questions about insurance can contact our CIC

Consumer Information Centre
Toll-free: 1-844-2ask-IBC

E-mail: askibcwest@ibc.ca
[@IBC_West](#)

ibc.ca





Thank you!
Questions?

ibc.ca

