

August hailstorm in Calgary results in nearly \$2.8 billion in insured damage

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2024 Calgary hailstorm is the second-costliest insured event in Canada's history

EDMONTON, AB, Sept. 11, 2024 /CNW/ - A record-breaking hailstorm that hit the Calgary area in early August resulted in nearly \$2.8 billion in insured losses, according to initial estimates from Catastrophe Indices and Quantification Inc. (CatIQ). This hailstorm is the second-costliest event in Canada's history, following the 2016 Fort McMurray wildfire. With yet another record-setting summer for insured losses due to severe weather, these losses will place pressure on insurance premiums moving forward.

On August 5, 2024, severe thunderstorms developed over southern Alberta and moved east, producing significant and damaging hail, strong winds, heavy rain and localized flooding in parts of Calgary. Environment and Climate Change Canada said it received multiple reports of hailstones the size of chicken eggs damaging homes and vehicles. Hail and wind damage are covered by standard home and business insurance and by comprehensive auto insurance policies. By the end of the storm, almost one in five homes in Calgary was impacted.

"Catastrophic weather has hit our province hard this year and the impact on Calgary residents from this summer's hailstorm is unprecedented," said Aaron Sutherland, Vice-President, Western and Pacific, Insurance Bureau of Canada (IBC). "Alberta's insurers have been on the ground assisting customers with needed repairs and financial support, and working to process over 130,000 claims from the hailstorm. Rebuilding will take time and our industry will continue to be there to support impacted communities every step of the way."

Alberta has experienced five of the top 10 costliest disasters in Canadian history, all of which have occurred since 2016, placing significant strains on home, business, and auto insurance premiums. The Calgary area in particular

has seen several catastrophic hailstorms in recent years, including the 2020 and 2021 hailstorms that caused over \$1.2 billion and \$700 million in insured damage, respectively. Given these trends, it's critical that governments reinvest in programs such as the municipal **Resilient Roofing Rebate Program** that help increase the resilience of homes and businesses to future hail events.

Across Canada, families and businesses have been grappling with the most damaging summer on record due to severe weather, with **approximately 228,000 insurance claims** related to four major catastrophic weather events—a 406% increase compared to the previous 20-year average. With the Jasper wildfire causing over \$880 million in insured damage, severe weather has cost insurers over \$3.6 billion in Alberta this summer alone. Canada's insurers have also been simultaneously supporting customers impacted by the July Toronto floods and flooding across Quebec.

"Insurers paid out more in claims for this one hail event than the federal government has invested on climate adaptation over the past decade," said Craig Stewart, Vice-President, Climate Change and Federal Issues, IBC. "The surging frequency and severity of floods, wildfires, hail and windstorms, represent an escalating threat to lives and property across Canada, yet governments have been vexingly slow to respond and have yet to enact the kinds of meaningful measures that would help Canadians prepare. Improved hail alerting that urges people to park their cars safely and stay indoors, improved building codes that incorporate hail resistant siding and roofing in high-risk areas, provincial and federal retrofit programs must be enacted to help families and businesses build resilience moving forward."

As reported by IBC earlier this year, **severe weather in 2023 caused over \$3.1 billion in insured damage across Canada** and following four significant events this summer, 2024 is shaping up to be another costly year. IBC is continuing to engage with the federal and provincial governments on ways to improve the climate resilience of communities across the country. Insured losses related to severe weather in Canada now routinely exceed \$2 billion annually. By comparison, between 2001 and 2010, Canadian insurers averaged \$701 million a year in losses related to severe weather.

The amount of insured damage is an estimate provided by CatIQ (www.CatIQ.com) under licence to IBC.

Questions about a claim?

IBC is encouraging consumers with questions about their claim to call IBC's Consumer Information Centre at 1-844-2ask-IBC (1-844-227-5422).

Questions about how to better protect your home or business from hail damage?

Home and business owners can find more information on how to better protect their property from hail damage by visiting www.hail-smart.com.

About Insurance Bureau of Canada

Established in 1964, Insurance Bureau of Canada (IBC) is the national industry association representing Canada's private home, auto and business insurers. Its member companies make up the vast majority of Canada's highly competitive property and casualty (P&C) insurance market.

As the leading advocate for Canada's private P&C insurers, IBC collaborates with governments, regulators and stakeholders to support a competitive environment for the P&C insurance industry to continue to help protect Canadians from the risks of today and tomorrow.

IBC believes that Canadians value and deserve a responsive and resilient private P&C insurance industry that provides insurance solutions to both individuals and businesses.

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