

Article by [Mark Sibthorpe](#)

Enclosed is a compilation of news related to floods over the past year. The takeaway from these articles and reports is that the Canadian flood insurance market is in a state of flux and water managers are in over their head.

Having been on hand for both the Quebec flood (2017) and the NB flood this past spring, I can say first hand that the lack of consistency in flood insurance policy rules and regulations leads to considerable confusion.

Car and fire insurance have legal requirements with respect to terms and conditions, but not flood. Former adjusters and insurance brokers in NB were outspoken on this issue this past spring as many were not left high and dry, but soaked by policies that did not cover them.

The catch phrase that resonated at various town-hall meetings was that 'flood is the new fire'. Meaning, that floods are now the leading cause of damage in Canada. Other issues facing home-owners in Canada, apart from ambiguous insurance policies, is the fact that flood plains are not clearly mapped out, and climate events are changing the rules with respect being able to predict and prepare for floods.

Management of water, is another issue facing home-owners with respect to flood risk. There is no simple solution to this. Sometimes it comes to a choice of flooding upriver or downriver when levels reach critical levels. Many international treaties exist to deal with these issues whereby, decisions in Quebec impact New York and even wildlife protection is at play.

[U.S. SEVERE WEATHER, FLOODING LEADS TO BILLION-DOLLAR COST FOR INSURANCE INDUSTRY IN JANUARY: AON BENFIELD](#)

Canadian Underwriter - Canadian Underwriter

Major severe weather and flood events in the United States in January led to billion-dollar cost for the insurance industry, according to [Aon Benfield's](#) latest *Global Catastrophe Recap*.

[CONGRESS SET FOR HEATED DEBATE ON FLOOD INSURANCE PROGRAM](#)

WSJ - WSJ

Congress is gearing up for a fight over a government-backed flood insurance program that owes billions of dollars to taxpayers and is set to expire this year.

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[IPOS RETURN SOMEWHAT IN THE FIRST QUARTER BUT INVESTORS REMAIN SKEPTICAL](#)

FP - Barry Critchley

It's not the flood some were expecting when the new year rolled around, but there is still some positive news: there have been more initial public offerings in the first quarter of 2017 than there were in all of 2016.

Aggregated Canadian flood news, 2017 to present

MY EXPERIENCE YESTERDAY IN QUEBEC FLOOD

Youtube - Mark Sibthorpe

Quite the flood in Quebec. Here is some personal video I took yesterday.

EVERYONE IS GETTING FLOODED AND NO-ONE KNOWS ABOUT FLOOD INSURANCE

Insurance Business - Will Koblensky

Whether it's in the GTA, around the island of Montreal, or in Fredericton, the May rains have lashed down just when most Canadians were hoping they'd enjoy spring.

DESJARDINS LENDS A HAND, PROVIDES RELIEF TO FLOOD VICTIMS

Insurance Business - Lyle Adriano

In a company release published yesterday, Desjardins Group revealed that it has made a \$100,000 donation toward flood relief for victims of the recent catastrophe in several areas across Canada.

QUEBEC ASSURES FLOOD VICTIMS THAT THEY WILL BE COMPENSATED TO AN EXTENT

Insurance Business - Lyle Adriano

Almost 4000 Quebec properties have registered as flood damaged, opening the gates for compensation assistance from the provincial government – but there will be caps on payments.

FLOODS, FOOD RECALLS AND FLYING: CBC'S MARKETPLACE CONSUMER CHEAT SHEET

CBC - CBC

You might not be. This week's brutally wet weather and floods destroyed homes and left many unsure of what to do next. And it gets worse. Some home insurance policies don't include flood insurance. It's an add-on. But why? **We put your flood-related questions to an insurance expert to help you navigate the waters.**

WHY YOU PAY OUT OF POCKET FOR FLOOD DAMAGE AND OTHER THINGS TO KNOW ABOUT DISASTER INSURANCE

CBC - CBC

Most people don't know that overland flooding is an add-on, MacQuarrie explained.

INSURANCE ADJUSTERS IN SHORT SUPPLY IN DEVASTATED PROVINCES

Insurance Business - Lyle Adriano

There are not enough insurance adjusters to help handle the numerous flood claims of Ottawa-Gatineau residents following heavy rainfall during the previous week.

[FEW CANADIANS ARE AWARE THAT THEIR HOMES ARE AT HIGH RISK OF FLOODING: STUDY](#)

Insurance Business - Lyle Adriano

Conducted by the University of Waterloo, the study revealed that almost all of the survey's participants did not know, or were not sure, that they lived in a designated flood area. Nearly 90% were even unaware that their homes were in areas vulnerable to flooding. Half of the respondents said that they were not worried about flooding happening in their areas.

[QUEBEC ANNOUNCES INCREASE IN FINANCIAL ASSISTANCE FOR FLOOD VICTIMS](#)

Canadian Underwriter - Sidhartha Banerjee

Premier Philippe Couillard told a news conference the province's preliminary estimates suggest damages will cost \$350 million.

[IS IT TIME TO STOP BUILDING IN FLOOD ZONES?](#)

Insurance Business - Will Koblensky

Building homes knowing there is a strong chance they could be flooded by nearby lakes and rivers may seem nonsensical but its common practice in Canada.

[INSURERS MUST DO MORE TO EDUCATE CANADIANS ABOUT FLOOD RISK](#)

G&M - Rob Wesseling

In the wake of widespread spring flooding, heavy rains and high water levels now threaten more of the same in communities across the country. And while floodwaters inevitably recede, the financial and emotional fallout will continue to make waves.

[HOUSE PRIMES FLOOD INSURANCE BATTLE](#)

WSJ - WSJ

House lawmakers aim to pass legislation by July addressing how the nation handles flood insurance, a senior Republican said, setting up a regional battle in the Senate over how the federal government covers property damage after natural disasters.

[EXPERTS HIT OUT AT GOVERNMENT HANDLING OF FLOOD COSTS](#)

Insurance Business - Lyle Adriano

With federal and provincial governments both attempting to offload the cost of flooding to homeowners, experts say that they are not doing enough to help Canadians purchase private insurance coverage of their own.

[NATURAL INFRASTRUCTURE KEY TO FLOOD PRICING LLOYDS](#)

Insurance Business - Terry Gangcuangco

Lloyd's of London believes insurers should consider natural coastal habitats when pricing flood risk, as a new study revealed that mangroves, coral reefs, and salt marshes are more effective against coastal storms when compared to seawalls.

[INVESTMENT ADVISERS REGAINING CONFIDENCE IN HOME CAPITAL SAVINGS PRODUCTS](#)

G&M - Clare O'Hara

As Warren Buffett swoops in to save the day for Home Capital Inc., a surge of renewed confidence has been restored throughout the investment community.

[MSA CALLS FOR SUSTAINABLE SOLUTION FOR UNDERINSURANCE IN OVERLAND FLOOD](#)

Canadian Underwriter - CU

A potential solution to overland flood risk in Canada "could follow" the model of Britain's Flood Re, [MSA Research Inc.](#) suggested in a report released Monday to *Canadian Underwriter*.

[FEDERAL FLOOD INSURANCE AND THE VERY RICH](#)

WSJ - WSJ

Your editorial "A Taxpayer Dike for Flood Insurance" (June 24) serves to reinforce the misconception that the FEMA flood insurance program protects only very wealthy homeowners who live by the shore in multimillion-dollar homes.

[CAPITAL MARKETS COULD HELP TRANSFER U.S. FLOOD RISK TO PRIVATE MARKET: ARTEMIS](#)

Canadian Underwriter - CU

The "glut of reinsurance capital and interest from capital markets" could help the United States government reform its flood insurance subsidy program by making the heavily-indebted National Flood Insurance Program a "much smaller insurer of last-resort," Artemis.bm suggested Wednesday on its blog site.

[FORT MCMURRAY REBUILDING FASTER THAN EXPECTED, CMHC SAYS](#)

G&M - Janet McFarland

Fort McMurray is rebounding more quickly than expected from the loss of 2,500 homes in a devastating wildfire last year, with one-third of destroyed houses now under reconstruction in the northern Alberta city.

[CATIQ ENTERS INTO AGREEMENT WITH IMPACT FORECASTING TO USE CAT EVENT FLOOD RESPONSE FOOTPRINTS FOR CANADA](#)

Canadian Underwriter - Jason Contant

"Aon Impact Forecasting's Canadian flood footprints for events which hit Ontario, Quebec and British Columbia during May 2017 are now available on CatIQ's CatHUB module," said Adam Podlaha, global head on Impact Forecasting, Aon Benfield's catastrophe model development team, in a statement earlier this week. "This will enable CatIQ's users to more accurately analyze their risk exposure and prepare for future floods."

[HURRICANE HARVEY THREATENS LARGEST FLOOD INSURER: THE GOVERNMENT](#)

WSJ - Rachel Witkowski and Leslie Scism

Hurricane Harvey poses new hazards to a giant U.S. flood insurer already facing mounting debt and a reauthorization fight in Congress.

[MOST HARVEY FLOOD VICTIMS UNINSURED, FACE BIG BILLS ALONE](#)

CBC - AP

Homeowners suffering flood damage from Harvey are more likely to be on the hook for losses than victims of prior storms — a potentially crushing blow to personal finances and neighbourhoods along the Gulf Coast.

HARVEYS TEST: BUSINESSES STRUGGLE WITH FLAWED INSURANCE AS FLOODS MULTIPLY

WSJ - Ruth Simon, Cameron McWhirter

The nearest Hal Pontez could get to the North Houston office park he owns was a quarter mile away. From that viewpoint on Monday, he said, “tops of buildings are peeking through a lake.”

MANY FAIL TO QUALIFY FOR WINDSOR-ESSEX FLOOD RELIEF

Insurance Business - Lyle Adriano

Out of the 583 homeowners who applied for the program last September, only 122 claims were paid out, for a total of \$665,656.43. The remaining 235 claims were denied after inspector assessments. Another 226 claims were deemed not eligible before any assessment was even conducted.

U.S. P&C ASSOCIATION CALLS ON CONGRESS TO PASS NATIONAL FLOOD INSURANCE PROGRAM EXTENSION IN WAKE OF HURRICANE HARVEY

Canadian Underwriter - CU

The president and CEO of the Property Casualty Insurers Association of America (PCI) is calling on the U.S. Congress to pass at least a six-month extension of the National Flood Insurance Program (NFIP).

HELL AND HIGH WATER: FLOODS ARE GETTING WORSE. FAILURE TO PLAN AHEAD IS NOT AN OPTION

G&M - Ian Brown

The most shocking elements of Hurricane Harvey in Houston were how intensely it rained, how fast the flood happened, and how relentlessly unstoppable it was. The weather seemed to live by rules of its own. The Class 4 hurricane was “downgraded” to a tropical storm Monday and to a tropical depression midweek, but the 6.6 million residents of Houston upgraded their grasp of the gravity of the disaster with every ensuing day.

NFIP LOSSES FROM HURRICANE HARVEY ESTIMATED TO REACH US\$7-10 BILLION: RMS

Canadian Underwriter - CU

Gross losses accrued in the National Flood Insurance Program (NFIP) from Hurricane Harvey will be between US\$7-10 billion, Pete Dailey, vice president of product management with Risk Management Solutions, Inc. (RMS), suggested in a [blog](#) posted on Friday.

CANADIAN INSURERS BRACE FOR A FUTURE SATURATED WITH FLOOD DAMAGE CLAIMS

G&M - Jacqueline Nelson

As Hurricane Irma barrelled toward the Florida coast on Friday, the toll of the damage was already staggering.

QUEBEC ANNOUNCES NEW MEASURES FOR FLOODING VICTIMS

Canadian Underwriter - CP

Quebec's public security minister says new measures to assist flood victims who feel they've been abandoned by the province will help them cut through the bureaucracy.

[ALLSTATE CEO WANTS FLOOD INSURANCE OVERHAUL IN US](#)

Insurance Business - Ryan Smith

"The flood insurance situation needs to be completely redone," Allstate CEO Tom Wilson said.

[INSURANCE LEADERS VOICE CONCERNS FOR FLOOD INSURANCE MARKET](#)

Insurance Business - Sam Boyers

Flood insurance in Canada is in a state of flux. The Calgary flood of 2013 changed everything. And, now, increased severe weather events across the country continue to shape the private flood insurance landscape.

[HUGE FLOOD SETTLEMENT REACHED WITH FIRST NATIONS](#)

Insurance Business - Lyle Adriano

The provincial government of Manitoba and the federal government have agreed to an over \$90 million settlement with a number of First Nation communities affected by the 2011 flood.

[CANADIAN UNDERWRITERS CONVERGE FOR MIAMI FLOOD EVENT](#)

Insurance Journal - Chris Davies

If you're in Canada and want to hone cutting-edge private flood sales strategies – not to mention enjoying a trip to Miami at the same time – you're in luck.

[A BROKE, AND BROKEN, FLOOD INSURANCE PROGRAM](#)

NY Times - Mary Williams Walsh

In August, when Hurricane Harvey was bearing down on Texas, David Clutter was in court, trying one more time to make his insurer pay his flood claim — from Hurricane Sandy, five years before.

[INSURERS ADVICE TO BROKERS ABOUT OVERLAND FLOOD POLICIES](#)

Canadian Underwriter - Greg Mackbach

Amid concerns about the frequency and severity of flooding in Canada, insurers are advising brokers to "stay on top" of the various water coverage products in the market, as well as to bear in mind that different carriers are taking different approaches to water risk.

[FLOOD ROUNDTABLE TO HELP PREPARE CANADIANS FOR WORSENING FLOOD RISKS](#)

Insurance Business - Sam Boyer

So far in 2017, major floods have caused almost \$600 million in insured damage across Canada.

[WILL FEDS GET INVOLVED IN FLOOD COVERAGE FOR HIGH-RISK HOMES?](#)

Canadian Underwriter - Greg Machbach

Despite calls from the industry for public sector involvement in covering flood risk to high-risk residential properties, the federal government has not committed to any programs that would lead to public sector involvement in flood coverage.

[MORE WINDSOR RESIDENTS ELIGIBLE FOR ONTARIO GOVERNMENT FLOOD RELIEF](#)

Canadian Underwriter - Greg Meckbach

“Expanding the original activation area will allow more residents who were affected by the flood to submit claims for assistance,” the provincial government said in a press release.

[FRUSTRATED BROKERS READY TO DROP CARRIERS OVER FLOOD CONFUSION](#)

Canadian Underwriter - Greg Mackbach

Swirling in the eddies of confusion about overland coverage, frustrated Canadian brokers are threatening to drop carriers and are worried about errors and omission (E&O) claims related to overland flood insurance.

[FLOOD INSURANCE COMPARISON US VERSUS CANADA](#)

BankNews.TV - Mark Sibthorpe

A comparison between the US overland flood structure between Canada and the US; regulators, government and private insurance are examined in this 4 minute video.

[WHAT CANADAS LARGEST CITY IS DOING TO HELP REDUCE FLOOD INSURANCE CLAIMS](#)

Canadian Underwriter - Greg Machbach

As climate experts forecast more frequent extreme rain events, Toronto is working towards protecting properties by modernizing its storm drainage system.

[INDUSTRY SEEKS GOVERNMENT HELP TO DEAL WITH HOMES IN HIGH-RISK FLOOD AREAS](#)

Canadian Underwriter - David Gambrell

Canadian property and casualty insurers cannot be the sole financial backstop for homeowners who build their homes in high-risk flood areas, a senior industry executive told a catastrophe risk conference in Ottawa.

[BC FLOOD MITIGATION PROJECTS GAIN GOVERNMENT SUPPORT](#)

Insurance Business - Lyle Adriano

Both the federal and provincial government of British Columbia have provided funding to support 30 flood mitigation projects in the region.

[WHY PRIVATE EQUITY RISKS TRIPPING ON ITS OWN SUCCESS](#)

WSJ - WSJ

The past decade has seen a flood of capital into hard-to-see, less liquid assets, transforming the scale and scope of the private-equity firms managing this money.

[FLOOD RISK TRAINING FOR HOME INSPECTORS COMING IN SEPTEMBER](#)

Canadian Underwriter - Greg Meckbach

A new course for home inspectors, specifically on assessing residential property flood risk, will be rolled out this September at 20 colleges in Ontario, said Blair Feltmate, head of the [Intact Centre on Climate Adaptation](#) at the

University of Waterloo. Feltmate was a speaker at the Insurance-Canada.ca Technology Conference (ICTC) in Toronto.

PROVINCE WORKING ON TECHNOLOGY TO EASE DAMAGE IN FLOOD SEASON

Canadian Underwriter - Kevin Bissett

Flood forecasters in New Brunswick are using new technology to track snow loads and ice movement, hoping more information leads to less damage.

RBC CHIEF SOUNDS ALARM ON FLOOD OF FOREIGN CASH IN CANADIAN REAL ESTATE

Bloomberg - Doug Alexander

Foreign inflows are distorting Canada's already constrained housing market and aren't the kind of investment the country needs, the chief executive officer of **Royal Bank of Canada** said.

CANADIAN BUSINESSES STILL HAVE LOTS TO LEARN ABOUT FLOOD RISK

Insurance Business - Bethan Moorcraft

The Calgary floods of 2013 still lurk in the minds of many Canadians. The city was **devastated by flooding** when water spilled over the banks of its two major rivers, causing millions in damages and one death.

WHY BROKERS MAY HAVE FEWER HOME FLOOD WORDINGS TO CHOOSE FROM

Canadian Underwriter - Greg Meckbach

The lack of standard wording for home overland flood insurance is not a bad thing, but Canadian brokers might soon have fewer wordings from which to choose, the head of **Swiss Re** Canada suggests.

CURRENT SYSTEM OF FLOOD DAMAGE COMPENSATION IS NOT SUSTAINABLE - IBC

Insurance Business - Alicja Grzadkowska

"Within the insurance industry, we are taking steps to better educate consumers about the realities of flood, and how to reduce their individual risk," remarked Forgeron during the panel on April 09. Speaking to *Insurance Business* afterwards, he said that the industry is uniquely prepared to do this work.

FREDERICTON IS THE LATEST CITY TO RING WARNING BELLS OF FLOOD RISK IN CANADA

Insurance Business - Alicja Grzadkowska

By some accounts, Fredericton is submerged. The Canadian Press reported on May 01 that floodwaters had washed out neighbourhoods along the Saint John River, turning some homes into islands. Communities in Maugerville, Jemseg, Sheffield, Grand Lake and Oak Point were also impacted as government officials said they were all seeing extensive flooding in those areas.

OREGON'S FLOODED RECREATIONAL POT MARKET A CAUTIONARY TALE FOR CANADA: ECONOMISTS

CBC - Amy Smart

As marijuana farmers in Oregon say a flood of supply is killing their businesses less than three years after recreational cannabis was legalized, economists say it's a warning to Canada.

ABOUT 10,000 HOMES WERE IN N.B. FLOOD AREAS, BUT DAMAGE STILL UNCLEAR

Canadian Underwriter - CP

Provincial officials also said that as of Thursday morning, there were 2,200 people who had registered for the disaster relief program, which covers some of the uninsurable damages in an effort to get homeowners back on their feet.

DO SOPHISTICATED WATER MODELS SELECT AGAINST SMALLER INSURERS?

Canadian Underwriter - Jason Contant

The sophistication of technology for rating overland flood could conceivably lead to smaller insurers ending up with a disproportionate share of flood risks on their books in the event of a cat, which could spell trouble for consumers.

GRADUATE APPLICATIONS FLOOD DEUTSCHE AND OTHER BANKS

FT - Laura Noonan

Around 110,000 students applied for Deutsche Bank's graduate scheme this year in the most striking example of millennials' appetite for careers at even the most troubled banks.

B.C. BRACES FOR LESS BREATHING ROOM BETWEEN FLOOD, WILDFIRE SEASONS

Insurance Business - Paulo Taruc

As flood season comes to a close, emergency officials are already gearing up for wildfire season. The gap between both seasons has usually provided them enough time to rest and prepare – but it's now getting shorter, according to Chris Duffy, executive director of Emergency Management B.C.

HOW NEW OVERLAND FLOOD POLICIES AFFECT DISASTER ASSISTANCE ELIGIBILITY

Canadian Underwriter - Jason Contant

Various insurance coverages for overland flood are new, and do raise some questions about whether B.C. residents are eligible to apply to the government for financial assistance. According to an email from Emergency Management BC (EMBC), "if a flooding disaster occurs and DFA is authorized for a disaster event, an applicant who could reasonably and readily have purchased overland flood insurance would NOT be eligible for DFA."

NEW BASEMENT FLOOD AWARENESS TRAINING FOR HOME INSURANCE BROKERS

Canadian Underwriter - Greg Meckbach

The Intact Centre also plans to offer – later this month on a pilot basis – a course in five cities to roughly 400 brokers out west, said Feltmate, who is also a professor at the University of Waterloo's school of environment, enterprise and development.

STUDY CALLS FOR ADOPTION OF FLOOD PREVENTION STANDARDS

Insurance Business - Paulo Taruc

Of all extreme weather events in Canada, flooding is currently the costliest, causing millions of dollars in property damage, the study said. Citing data from the Insurance Bureau of Canada, it said 58% of catastrophic insurable loss claims between 2008 and 2015 were due to water damage.

ZURICH SHINES SPOTLIGHT ON CATASTROPHIC EVENTS

Insurance Business - Alicja Grzadkowska

“Prevention is actually easy. Very often it is perceived as something difficult, but I think if you do it at the right time, in the right conditions, and make really good, sensible decisions, then it’s not actually all that hard or expensive,” said Michael Szoenyi, flood resilience specialist at Zurich.

CANADAS BEST PROVINCE FOR FLOOD RISK MANAGEMENT

Canadian Underwriter - Greg Meckbach

“Ontario has been most aggressive at trying to make sure that there is no new construction in a flood zone,” Paul Kovacs, founder and executive director of the Institute for Catastrophic Loss Reduction (ICLR), said Tuesday in an interview.

NB INVESTS IN FLOOD MAPPING PROJECTS

Insurance Business - Lyle Adriano

Both the provincial government of New Brunswick and the federal government have announced their plan to invest in the flood-hazard mapping of the province.

HOW A \$395 GADGET CAN PREVENT A \$43,000 FLOOD CLAIM

Canadian Underwriter - David Gambrill

“The reason why we started the company is that we actually owned properties that ended up with floods and seeing water damage in them – things that were absolutely preventable,” Tsintzouras told *Canadian*

AS HURRICANE SEASON ARRIVES, U.S. HOMEOWNERS HAVEN'T FIXED THEIR BIG UNDERINSURANCE PROBLEM

WSJ - Nicole Friedman, Leslie Scism

Three major landfalling hurricanes in 2017—Harvey, Irma and Maria—revealed a widespread lack of full insurance coverage for homeowners in Texas, Florida, Puerto Rico and elsewhere. Those storms served as a wake-up call to some, but the underinsurance of Americans persists, according to regulators, trade groups and government data.