

Insurance in Saskatchewan

What You Need to Know



KNOW YOUR POLICY

Insurance is an important part of your **financial security**.

INSURANCE CAN HELP YOU WHEN:

- a severe weather event **leaves you with no place to live**; or
- property damage **interrupts your business**;
- someone **slips and falls** on your property.



It's important that you **take the time** to carefully choose an insurance policy that best suits your needs and finances.

It's equally important that you **read your policy** to know what is covered and what is not covered. If you have any questions, don't hesitate to **ask your broker** or **call your insurance company**.

DID YOU KNOW?

Insurance is all about pooling risk. The premiums of the many pay for the losses of the few. Even if you haven't made a claim, sometimes your rate will go up because of the actions of others.

COMPETITION AND CHOICE



SHOP AROUND

A competitive marketplace allows consumers to shop around for the products, prices and services that best suit their needs. It pays to shop around for insurance in the same way you would for other important goods or services.

There are three ways you can buy insurance:

1. From a **broker** who deals with a number of insurance companies and who tries to find you the best deal; or
 2. From an **agent** who sells insurance for just one company; or
 3. Directly from an **insurance company** through a call centre and/or website.
- If you buy your insurance through a broker, make sure to ask which companies your broker represents.

FACT: In Saskatchewan, a total of 90 companies sell insurance for personal property, commercial property and liability.

UNNATURAL DISASTERS

The year 2010 proved to be another record-breaker for weather-related events. Severe weather across the country caused personal suffering and tremendous economic losses for Canadians. Unsurprisingly, the increased severity and frequency of weather events also led to a significant rise in insurance claims costs.



SASKATCHEWAN WIND AND RAINSTORMS

Strong wind and rainstorms pounded various parts of Saskatchewan causing **\$90 million** in insured damage.

ALBERTA HAILSTORMS

Powerful hailstorms and windstorms hit Calgary and southern Alberta resulting in **\$500 million** in insured damage.

ONTARIO TORNADOES

Severe tornadoes ripped through Midland and Leamington, Ontario causing **\$90 million** in insured damage.

Community Assistance Mobile Pavilion (CAMP)

When disasters do strike, IBC's Community Assistance Mobile Pavilion (CAMP) can assist victims by providing on-site insurance information. Officially launched in 2010, IBC deploys CAMP in cases of significant insured losses to help Canadians with their insurance questions.



Whether it involves sending out trained insurance professionals to a disaster site to offer assistance, staffing its Consumer Information Centre to take calls from victims, or working with local government officials and media to disseminate important safety and insurance information, IBC is ready to help consumers when disaster hits.

HELPING CONTROL YOUR PREMIUMS

To ensure you're getting the most out of your home, car or business insurance, review your policy carefully and follow these premium-saving tips:

TIPS

- ✓ **SHOP** around and compare. Be honest about the type of coverage you need. Details matter.
- ✓ **REQUEST** a higher deductible. Your premiums will be lower if you agree to increase the amount of a claim you are willing to pay out of your pocket.
- ✓ **MANAGE** your risks. For example, install a monitored burglar or fire alarm system in your home or business and install an approved theft deterrent system in your vehicle.
- ✓ **LOOK** for policy-bundling discounts. If you already have auto insurance with one company, ask about buying home insurance from that company.
- ✓ When purchasing business insurance, be sure to **SPEAK** to an insurance professional who understands your particular business.

DO RENTERS NEED INSURANCE? The answer is **Yes**.

Tenant insurance can offer you protection in several ways: by insuring your contents, by protecting you from liability and by providing additional living expenses should your apartment become uninhabitable.

DID YOU KNOW?

You should insure your home according to what it would cost to rebuild it in the event it is destroyed. This amount is called the **replacement cost**, and it is different from the market value of your home and even from your tax assessment value. An accurate assessment of your home's replacement cost is essential to making sure you have enough coverage.

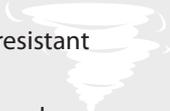
LOSS PREVENTION

To prevent or minimize water damage:



- Install a sump pump.
- Where by-laws allow, install a sewer backup or backflow valve.
- Use a rain barrel to catch water runoff.
- Ensure proper grading around your home.
- Remove or elevate valuables from basement floors.

To prevent or minimize wind damage:



- Install impact-resistant windows.
- Reinforce garage doors.
- Keep trees and shrubbery well trimmed.

To keep water in pipes from freezing:

- Fit exposed pipes with insulation sleeves.
- Open all cabinet doors during a cold spell to allow warm air to circulate.



DON'T FORGET TO:

- Develop a **disaster preparedness plan** and create an **emergency preparedness kit** for your family.

To learn more about what to include in your emergency kit, visit ibc.ca.

- Make an **inventory** of your possessions, include photos, keep it in a safe place and update it at least once per year.
- Report any **home renovations** to your insurance company.
- Make sure your home is properly insured. Start by completing a **home assessment checklist**.

Visit ibc.ca to complete your home assessment checklist.

- Install an **approved theft deterrent system** in your car. Keep valuables in the trunk or glove compartment.
- **Never** leave your car unlocked and running.
- **Don't drive distracted!** Distracted drivers are just as impaired as drunk drivers.

FOR MORE INFORMATION about home, car or business insurance, please contact Insurance Bureau of Canada

CONSUMER INFORMATION CENTRE

Tel: 604-684-3635 | Toll-free: 1-877-772-3777 ext. 222

(British Columbia, Saskatchewan and Manitoba only)

Hours: M–F 9 a.m. – 4 p.m.

CLIMATE ADAPTATION

Canadians are witnessing the devastating effects of extreme weather from coast to coast.

IBC has been an active champion of climate adaptation across Canada, developing new ways to help consumers and communities prevent water-related losses, sharing important adaptation messages and encouraging improvements to municipal infrastructure.



IBC is developing the world's first and only **MUNICIPAL RISK ASSESSMENT TOOL** to help municipalities identify sanitary and storm sewer infrastructure weaknesses and allocate funds where the risks are greatest.

To help the residents of Saskatchewan withstand extreme weather events, IBC continues to:

- ✓ Advocate for the improvement of current sanitary/storm sewer infrastructure in the most vulnerable communities.
- ✓ Promote regular maintenance of infrastructure in communities less at risk.
- ✓ Encourage sound water management and land-use policies to control runoff that enters wastewater systems.
- ✓ Research ways to make homes and buildings more resilient to rain, extreme wind and fire.



WATERSHED
awards

In May 2010, IBC presented the Watershed Awards in partnership with the Federation of Canadian Municipalities (FCM). The awards recognized communities from across the country that have taken steps to reduce their vulnerability to storm and wastewater damage.

The City of Saskatoon won the Watershed 2010 Regional Award by creating an innovative system of underground super pipes that collects up to three million litres of sewage after storms thereby protecting several city neighborhoods.

◀ Lindsay Olson, VP British Columbia, Saskatchewan, Manitoba, IBC; Mayor Donald Achison, City of Saskatoon.

INVESTING IN OUR COMMUNITIES

Insurance has been called the “**oxygen of the economy**.” It facilitates economic growth by helping individuals and businesses take risks they couldn’t otherwise take. When tragedy strikes or accidents happen, Canada’s P&C insurers are there to help Canadians recover. In 2009, insurers paid out over **\$26 billion** in claims, including more than **\$222 million** to policyholders in Saskatchewan.

Canada’s P&C insurance industry leaves a significant **economic footprint**. Across Canada, in 2009, the insurance industry:

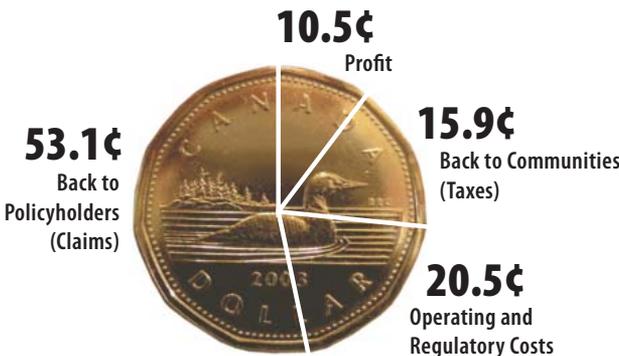
Invested over **\$88 billion** in government and corporate bonds.

Employed over **114,000** Canadians.

Paid **\$7.3 billion** in taxes and levies to federal, provincial and municipal governments.

THE INSURANCE DOLLAR

Where does your money go?
7-year national average (2004–2010)



DID YOU KNOW?

The P&C insurance industry is one of the most highly taxed and regulated industries in Canada.

Canada’s P&C insurers are very conservative investors, with 83% of their investment portfolio in secure bonds and debentures making them less vulnerable to stock market fluctuations.



THE FACTS YOU NEED, AT A GLANCE.

Insurance in Saskatchewan: What You Need to Know provides important information at a glance about home, car and business insurance.

Inside you'll find updates on **key trends** affecting insurance in Saskatchewan – such as severe weather and insurance fraud – and learn what the industry is doing to help.

Also inside are facts about the **industry's economic footprint** – how private insurers contribute to Saskatchewan's economy through jobs, investments and claims paid to policyholders in the wake of misfortune.

Finally, you'll find **tips and advice** on how to control your premiums, get the best coverage and protect yourself, your family and your property against loss.

Insurance Bureau of Canada – representing Canada's private home, car and business insurers and promoting consumer understanding for over 45 years.

QUESTIONS? WE'RE HERE.

Our **Consumer Information Centre** responds to email and telephone inquiries on all aspects of home, car and business insurance from consumers across British Columbia, Saskatchewan and Manitoba. Staffed by trained insurance professionals, the CIC also delivers presentations to businesses and service clubs on the fundamentals of insurance.

If you have questions or require additional copies of this booklet, please contact:

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or visit ibc.ca

SK/03/2011



WATER IS THE NEW FIRE

Today, water is the leading cause of property damage in Canada. Losses related to water damage cost Canadian insurers and policyholders at least **\$1.3 billion** every year.



Water damage caused by sewer backup is covered if it is included in your home insurance policy. Sewer backups can happen during intense rainstorms when aging municipal sanitary and storm sewer infrastructure becomes overloaded. **Talk to your insurance representative to see if you're covered.**

What to do after water damages your property:

- Be careful!** Don't turn on any electrical switches until your electrical system has been checked. If you have gas service, check for fumes.
- Protect your property from further damage.** Board up holes or shut off water supplies to ensure your belongings are not damaged further. Move items out of wet basements and away from flooded parts of your home.
- Call your insurance representative.** Let your insurance representative know what has happened as soon as possible. Your representative will work with you to assess the damage and see that you are compensated as quickly as possible for any losses covered by your policy.

WHY ISN'T OVERLAND FLOODING COVERED BY HOME INSURANCE?

Insurance is designed to spread risk among many policyholders. Generally, flooding is a risk for only a small percentage of the population – those who live on flood plains or in flood-prone areas. As a result, the price of flood coverage would be very high for the small number of people who would need it.

WHAT YOU CAN DO:

If you live in an area prone to flooding or sewer backups, it pays to take precautions.

Inside your home

- Move valuable items from the basement to upper floors.
- Use water-resistant building materials below ground level.
- Install a sump pump.
- Install backwater valves or plugs for drains, toilets and other sewer connections.
- Raise large appliances, furnaces, hot water heaters and electrical panels up on wood or cement blocks above the water level. If an item can't be raised, consider anchoring it and protecting it with a floodwall or shield.
- Anchor fuel tanks to the floor. A fuel tank can tip over or float in a flood, causing fuel to spill or catch fire. Make sure vents and fill-line openings are above flood levels. If you use propane, contact the propane company before proceeding.
- Install flood shields or built-up barriers for basement windows and doors. The tops of the shields should extend above ground level.
- If flooding is imminent, shut off electricity to areas of the home that might be affected.

Outside your home

- Ensure proper lot grading. If possible, build up the ground around your house so water can drain away from your basement walls.
- Check sidewalks, patios, decks and driveways to make sure they haven't settled over time and are causing water to drain toward your house.
- Landscape with native plants and vegetation that resist soil erosion.
- Clear snow away from the house foundation. If the ground is sloped one inch per foot near the house, moving snow just three to five feet from the house will reduce problems.
- Keep water out of window wells.
- Make sure downspouts extend at least six feet from your basement wall. Water should drain away from your house and neighbouring homes toward the street, backyard or back lane.
- Use a rain barrel to catch water runoff.

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