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For immediate release

Canada 's Insurers Urge Action from Prime Minister

TORONTO , ONTARIO – The Institute for Catastrophic Loss Reduction is urging Prime Minister Martin to establish a comprehensive strategy to address climate change, as the government marks the implementation of the Kyoto Accord this week.

“This event is a reminder that global warming is increasing the frequency and severity of extreme weather events. Dangerous weather causes property damage, injuries and fatalities,” said Paul Kovacs, Executive Director of the Institute for Catastrophic Loss Reduction. “Canada 's property and casualty insurers are adapting to this threat, and they urge the federal Government to do the same.”

This week, the Institute wrote to the Prime Minister asking the Government to establish a long-term National Strategy for Disaster Reduction that goes beyond our Kyoto commitments. It urged the federal Government to work with other stakeholders to enhance the resilience of Canadians to the growing threats of extreme weather and other natural hazards. The strategy should include a \$750 million plan to help Canadians become more resilient to extreme weather by:

- investing in disaster safety and loss prevention infrastructure
- establishing an all hazard warning and information system
- creating a culture of disaster safety and knowledge
- committing to disaster loss prevention research and education.

Many have already begun to adapt to the growing threat of extreme weather such as companies in the private sector, insurers, and non-governmental organizations, like the Canadian Red Cross. Most provinces and local governments are also adjusting their emergency management practices, but progress has been constrained by the absence of federal support.

The Institute for Catastrophic Loss Reduction has documented changes in the practices of its member insurance companies due to changes in climate. First, disaster damage payments are rising to homeowners and businesses. Second, the industry is shifting from pricing based on historic experience to protections of future loss claims based on

scientific models. Third, insurers are investing in academic research to identify loss prevention options. And fourth, the industry is working to share its loss prevention knowledge with the general public and other interested stakeholders.

“Public safety has been identified as a priority for the federal government, and this should include a plan to confront the alarming increase in extreme weather damage. It is not possible to stop a storm from striking, but we have the knowledge to prevent it from becoming a disaster,” said Mr. Kovacs. “What we need is a federal commitment to work with insurers and other stakeholders to promote disaster safety,” he concluded.

Established in 1998 by Canada’s property and casualty insurers, ICLR is an independent, not-for-profit research institute based in Toronto and at the University of Western Ontario in London, Canada. ICLR is a centre of excellence for disaster loss prevention research and education. ICLR’s research staff is internationally recognized for pioneering work in a number of fields including wind and seismic engineering, atmospheric sciences, water resources engineering and economics. Multi-disciplined research is a foundation for ICLR’s work to build communities more resilient to disasters.

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