



## Catastrophes in Canada

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# Catastrophe intro

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## What is a catastrophe?

- A sudden and extreme disaster that results in large-scale localized damage to a single location or widespread damage to multiple locations
- The disaster may or may not be naturally-occurring

## Examples

Thunderstorm

Tornado

Windstorm

Hail

Fire

Flood

Earthquake

Explosion

Blackout

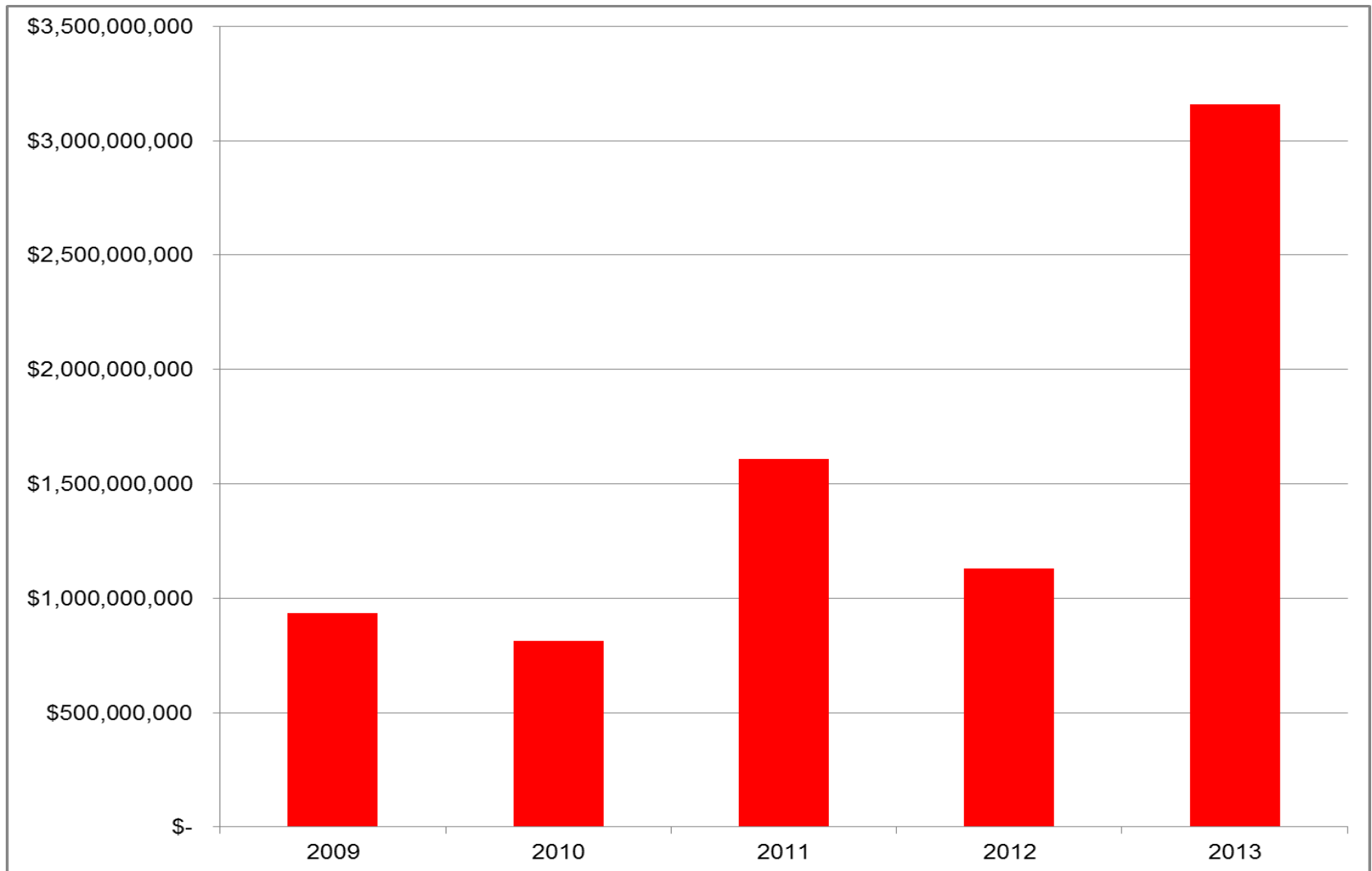
Vehicle accident

Collapse

Train derailment

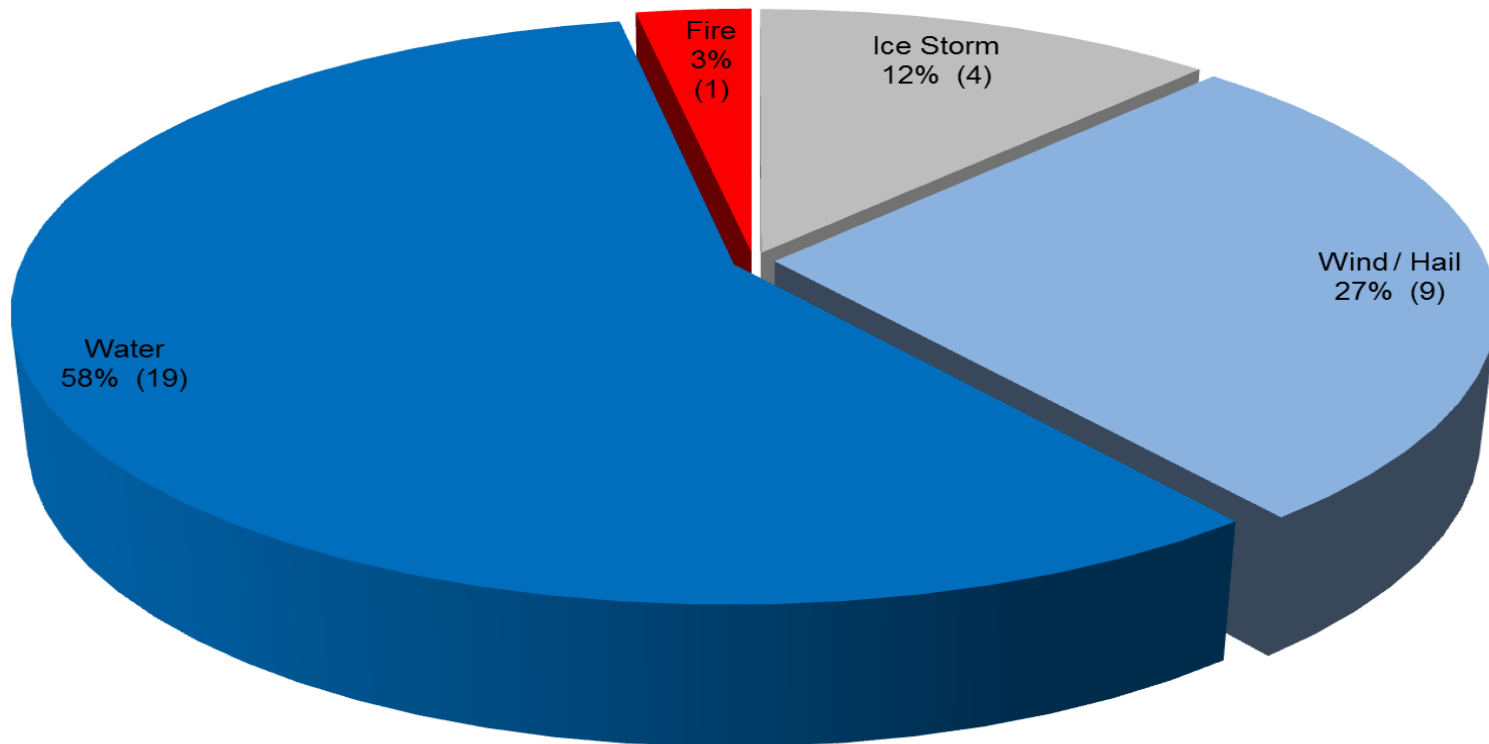
# Cost of catastrophes by year – Canada

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## Catastrophes by type – Canada (2009 to 2013)

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# Toronto Flooding – July 8, 2013

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- Cost \$943 million
- Most costly catastrophe in Ontario's history
- 90 mm of rain fell in just two hours
- Usual rainfall is 75 mm for all of July
- Widespread localized power outages





# Eastern Canada Ice Storm – December 22, 2013

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- Cost \$194 Million
- Affected Ontario, Quebec, and Atlantic Canada
- Ice buildup as thick as 3 cm
- At its height, almost one million homes were without power, some for up to a week



# Calgary Flooding – June 19, 2013

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- Cost \$1.72 billion
- The costliest catastrophe in Canadian history
- 325 mm of rain over 48 hours in High River; 200 mm in Calgary
- Four dead and 100,000 evacuated from their homes

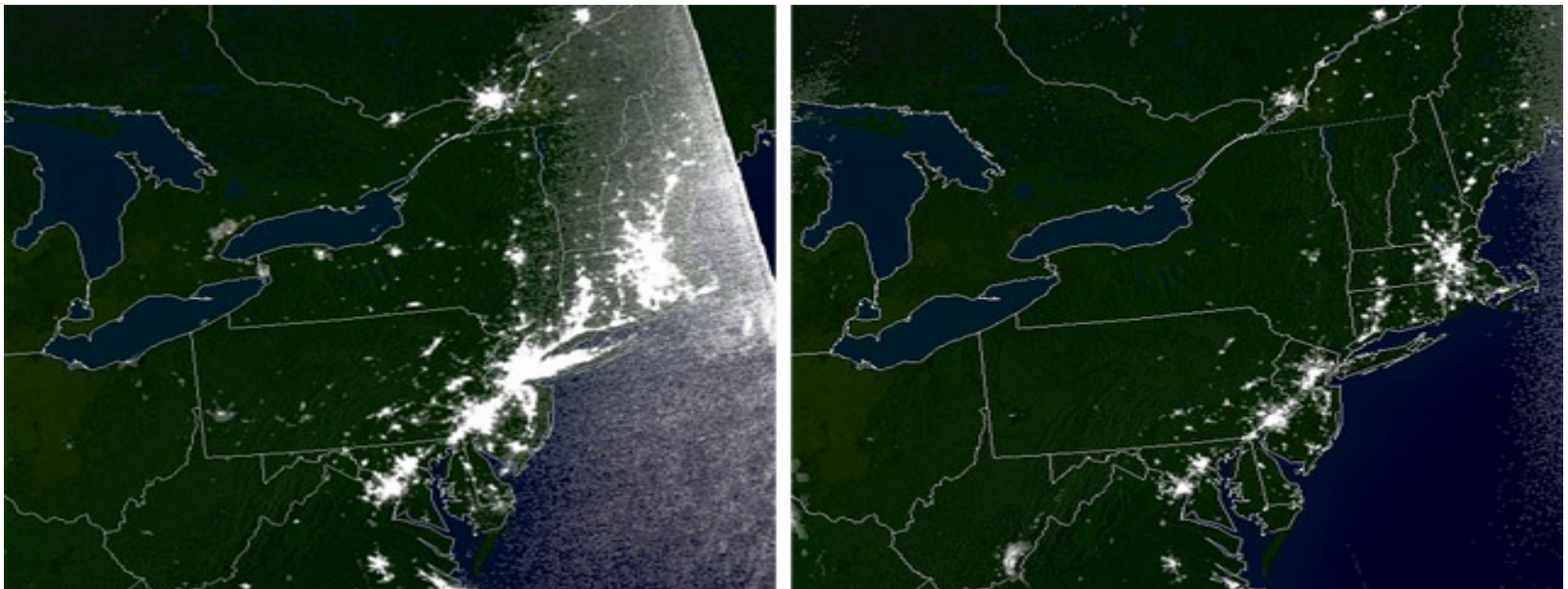




# Ontario Power Outage – August 2003

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- Estimated cost \$6 billion to US & Canada combined
- Source was a software bug in the alarm system of First Energy in Ohio, which failed to warn of the need to re-distribute power
- Shut down a total of 508 generating units at 265 power plants in the US & Canada
- 55 million people were left without power at the height of the blackout



# What does the future hold?

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## The Past

- Scientific evidence indicates that average temperatures in Canada rose 1.3 °C in the last 60 years, following a global trend
- Worldwide, weather-related catastrophes have cost insurers \$10 to \$100 billion per year in each of the last 12 years
- 2013 was the costliest year for weather in Canada at \$3.16 billion

## The Future

- Scientists expect average temperatures worldwide to increase over the next 50 years, with Canada averaging 0.2 °C per decade
- Increases in temperature increase the frequency and severity of damaging weather events
- Damage from weather events is compounded by changes to home construction and aging infrastructure in cities
- In short, the trend of costly catastrophic weather will continue

# Conclusion

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Questions? Feedback? Thoughts? Suggestions?

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- Why you need a business continuity plan
- Identifying business threats
- Create a business continuity plan in four steps

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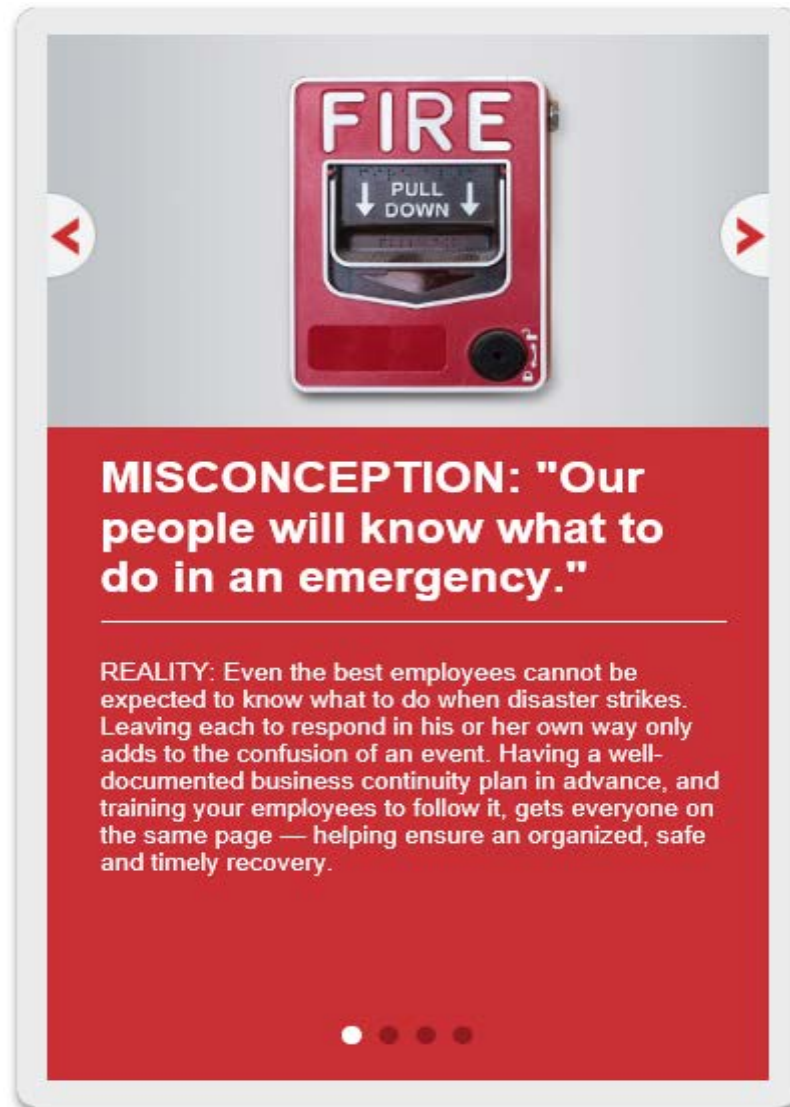
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## BUSINESS CONTINUITY PLANNING

# BUSINESS CONTINUITY

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# BUSINESS CONTINUITY

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## **MISCONCEPTION: "We have insurance to cover our losses."**

**REALITY:** Insurance alone is NOT a business continuity strategy. Proper coverage is a significant and important part of the plan. But it may not fully cover some of the peripheral damages from an event, like loss of customers, loss of market share, or setbacks in development or release of a new product. Consult with your insurance agent to understand what is and is not covered under your policy.

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**MISCONCEPTION: "We don't have the time to develop a business continuity plan."**

**REALITY:** Time spent developing and maintaining a business continuity plan is an investment in your company. Your fixed costs will continue after an event whether or not you are open for business. The faster you can return your operations to normal, the more likely you will recover from the event successfully. With so much at stake, your company can't afford to NOT have a plan.

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## **MISCONCEPTION: "Business continuity and disaster recovery planning are the same."**

**REALITY:** Business continuity is a proactive plan to avoid and mitigate risks associated with a disruption of operations. It details steps to be taken before, during and after an event to maintain the financial viability of an organization.

Disaster recovery is a *reactive plan* for responding after an event. It deals with the safety and restoration of critical personnel, locations, and operational procedures after a disaster, and is a part of business continuity planning.



BUILD AN EFFECTIVE PLAN. GET STARTED NOW.

# 4 STEPS TO AN EFFECTIVE BUSINESS CONTINUITY PLAN

1

IDENTIFY THREATS OR RISKS

2

CONDUCT A BUSINESS  
IMPACT ANALYSIS

3

ADOPT CONTROLS FOR  
PREVENTION AND MITIGATION

4

TEST, EXERCISE, IMPROVE  
YOUR PLAN ROUTINELY

TRAVELERS

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## Natural disasters

Some natural disasters are:

- Tornadoes
- Hurricanes
- Floods
- Earthquakes
- Lightning strikes
- Wildfires

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## What is the difference between a tornado watch and a tornado warning?

A tornado watch means tornadoes are possible in the area. You should review your emergency plan, check supplies and be ready to act quickly if a tornado does approach. A tornado warning means a tornado has been sighted by weather radar and you should act immediately. Be sure to have a weather radio available to monitor potential tornado activity.

- Tornadoes cause massive destruction any time of year if conditions are right!
- Prepare an emergency plan + survival kit.
- What should I do if a tornado is approaching?
- What if you're in a car?
- Myths – equalize pressure by opening a window
- How will I know when it is safe to go back outside?

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Prepare - Know your flood zone risk. Evaluate your flood risk: low, moderate, high

Prevent – mitigate hazard

- Elevate equipment
- Sump pump preventative maintenance
- Back up generator reliability exercise and annual load testing
- Install sewage back up prevention devices
- Sand bags for high water diversions
- Learn your locality flood alert signals
- Stock up on building materials
- Evacuation plan
- Shut off utilities
- Survival kit



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Prepare – Lightning is the third largest storm-related killer in the Americas, and causes nearly \$1 billion in damages a year. While summer is peak season for thunderstorms and lightning, storms can strike any time year-round. And, each flash of lightning carries the potential for injury and property damage.

**What is my best protection against lightning?** Contact a certified lightning protection specialist for more information.

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## Tips to help keep you safe if there is a wildfire

The fact is, that wildfires can occur just about anywhere conditions are favorable.

Greater risk for experiencing a wildfire, in a more remote or rural location such as woodlands, grasslands and mountain areas. In addition, firefighting services may be more limited in rural areas than in urban settings.


### **Prevent**

- Create a defensible zone at least 30 to 100 feet around your home. This includes thinning trees and shrubs, installing irrigation, and replacing native trees and plants with fire-resistant varieties. To learn more about defensible zones, check websites such as [www.MNR.GOV.ON.CA](http://www.MNR.GOV.ON.CA)
- Annual yard clean up / maintenance. Prune tree limbs within 10 feet of your home, clear away dead plants or branches, and remove pine needles, leaves and other debris from the yard, roof, and gutters. Use caution and be careful to stay away from overhead wires.
- Consider building or retrofitting with non-combustible building envelope materials

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Travelers Canada Prepare & Prevent – public website – [travelerscanada.ca/RiskControl](http://travelerscanada.ca/RiskControl)

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Tools to help control business risks

Travelers Canada Risk Control is here to help you control and minimize your risks. With more than 750 risk management professionals in Canada and around the world, we have the capability and expertise to provide you with information about the risks inherent to your specific industry. By having one of the largest risk control departments in the industry, we can leverage knowledge, experience and expertise to successfully provide relevant risk management advice and resources to meet your needs.




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## Disaster Planning Resources

- Travelers Customer Risk Control Portal
- Travelers – Business Continuity Sample Plan

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The authority on fire, electrical, and building safety

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