

IN BRIEF

2024 Summer of Catastrophe across Canada

One-year Claims Update on an Unprecedented Year of Disaster

October 2025



IBC
Insurance Bureau
of Canada

Overview

The summer of 2024 was unprecedented in terms of catastrophic weather. Four events in just five weeks over the summer accounted for over \$8 billion in insured losses. According to estimates from [Catastrophe Indices and Quantification Inc.](#) (CatIQ), last year's total insured losses surpassed \$9.2 billion, shattering the previous annual record of \$6 billion in 2016.

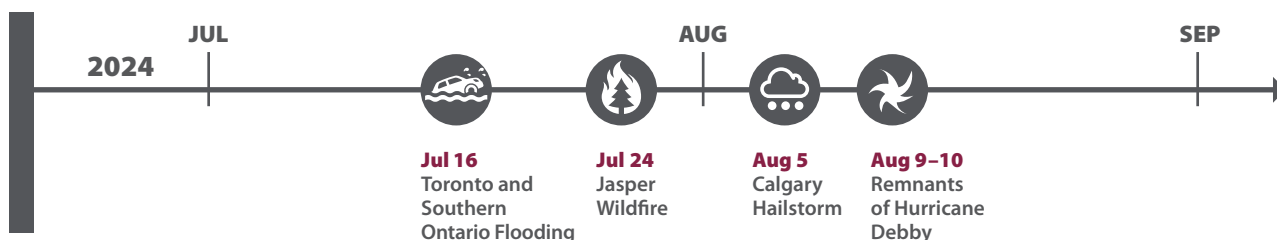


It all began on July 16, 2024, when residents in Toronto, Ontario, and the surrounding area, faced devastating flash flooding that led to prolonged power outages and nearly \$1 billion in insured losses to personal property, including homes, businesses and vehicles.

Eight days later, on July 24, a devastating wildfire swept through the community of Jasper, Alberta, destroying 358 properties and causing an estimated \$1.3 billion in insured losses.

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. In a matter of hours, the storm resulted in over [\\$3.2 billion in insured losses](#) and is now ranked only behind the 2016 Fort McMurray Wildfire for the most costly insured event in Canadian history.

Finally, on August 9 and 10, the remnants of Hurricane Debby travelled across southern Quebec, causing widespread flooding that resulted in \$2.8 billion in insured losses. This flood now ranks as the costliest insured event in Quebec's history, surpassing the 1998 ice storm.



Storms, fires and floods resulted in over 240,000 insurance claims in July and August last year – a 443% increase compared to the 20-year average – and stretched the capacity of Canada's property and casualty insurance industry like never before.

This *In Brief* provides a transparent one-year update on the most recent insured loss figures from CatIQ for each major catastrophic event in summer 2024 and highlights the industry's claims response. Insurance Bureau of Canada (IBC) provided a similar update in 2024, focusing on the [2023 Nova Scotia wildfires and flooding](#).

Toronto and Southern Ontario Flooding (July 16, 2024)

More than 100 millimetres of rain fell on Toronto and other parts of southern Ontario in a two-hour period, resulting in intense flash flooding. The storm turned highways into rivers, snarled traffic and knocked out power for about 170,000 customers. Union Station was flooded, resulting in delays and/or cancellations of some train services.

The bulk of insurance claims were the result of water damage to personal and commercial property, as well as to vehicles.



Ontario Flash Floods

Claims	22,400
Insured Losses (Including ALAE)	\$899,110,000
Average Claim	\$39,000
Closed Claims (at 1 yr)	20,600
Closed Percentage*	92%

Line of Business	Insured Losses (Including ALAE)	Closed Percentage*
Personal Property	\$685,140,000	93%
Commercial	\$181,870,000	82%
Auto	\$32,100,000	85%
Total	\$899,110,000	92%

*Closed Percentage and Closed Claims may differ due to rounding
ALAE - Allocated Loss Adjustment Expenses

At the one-year mark, 92% of claims have been closed. In terms of insured losses, the 2024 floods were surpassed only by Hurricane Debby for the largest water-related catastrophe in the last decade. Despite this, the percentage of claims closed surpassed the average for flood or water-related perils by four percentage points. As shown in the tables to the left, the 2024 floods had a better closed claims percentage at the one-year mark than other comparable floods over the last five years. All comparable floods also had lower insured losses.

Jasper Wildfire (July 24, 2024)

On July 22, 2024, a fast-moving wildfire in Jasper National Park, Alberta, forced over 25,000 visitors and town residents to be evacuated. According to [Parks Canada](#), the wildfire was sparked by lightning strikes, and fuelled by high temperatures and dry conditions. On July 24, the wildfire breached the town and damaged about a third of the community, including 358 homes and businesses. The fire resulted in 2,800 claims. This was the second costliest wildfire in Canadian history.



Jasper Wildfire

Claims	2,800
Insured Losses (Including ALAE)	\$1,312,900,000
Average Claim	\$465,000
Closed Claims (at 1 yr)	1,600
Closed Percentage*	56%

Line of Business	Insured Losses (Including ALAE)	Closed Percentage*
Personal Property	\$603,610,000	56%
Commercial	\$700,430,000	32%
Auto	\$8,860,000	92%
Total	\$1,312,900,000	56%

*Closed Percentage and Closed Claims may differ due to rounding
ALAE - Allocated Loss Adjustment Expenses

All standard homeowner's, tenant's and commercial property insurance policies cover damage caused by fire.

One year after the Jasper wildfire, the average commercial property claim is nearly 10 times the amount of average claims from the [Okanagan and Shuswap area wildfires in 2023](#). The percentage of closed claims (by dollar amount) was four percentage points lower than the Kelowna, British Columbia wildfire in 2023, despite Jasper having more than 2.5 times the number of insured losses.

Calgary Hailstorm (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. By the end of the storm, almost one in five homes in Calgary were impacted. In total, the hailstorm resulted in close to 130,000 claims, with extensive damage to homes, vehicles and businesses.



Calgary Hailstorm

Claims	126,100
Insured Losses (Including ALAE)	\$3,292,620,000
Average Claim	\$25,000
Closed Claims (at 1 yr)	109,100
Closed Percentage*	86%

Line of Business	Insured Losses (Including ALAE)	Closed Percentage*
Personal Property	\$2,062,006,000	84%
Commercial	\$328,035,000	54%
Auto	\$902,575,000	90%
Total	\$3,292,620,000	86%

*Closed Percentage and Closed Claims may differ due to rounding
ALAE - Allocated Loss Adjustment Expenses

At the one-year mark, 86% of claims have been closed.

Given the large volume of losses resulting from this storm, the percentage of claims that have been closed is only slightly below the average of 89% for the next five largest hailstorms in Canada. However, in terms of insured losses, the 2024 Calgary hailstorm was the largest by far. Despite losses being over 140% greater than those resulting from the [hailstorm that hit Calgary in 2020](#), the industry was able to achieve a high volume of closed claims at the one-year mark.

Remnants of Hurricane Debby (August 9 and 10, 2024)

After making landfall in Florida and traversing the southeastern United States, Hurricane Debby brought heavy rain and flooding to parts of Eastern Canada, particularly southern Quebec, where 170 millimetres of rain caused sewer systems to fail and led to widespread basement flooding, resulting in the highest insured losses in the province's history. The rain impacted nearly 35 municipalities across Quebec, with many declaring a state of emergency. At the peak of the storm, Hydro-Québec reported more than 550,000 clients without power.



Remnants of Hurricane Debby

Claims	87,100
Insured Losses (Including ALAE)	\$2,806,140,000
Average Claim	\$32,000
Closed Claims (at 1 yr)	83,600
Closed Percentage*	96%

Line of Business	Insured Losses (Including ALAE)	Closed Percentage*
Personal Property	\$2,325,650,000	97%
Commercial	\$379,820,000	82%
Auto	\$100,670,000	96%
Total	\$2,806,140,000	96%

*Closed Percentage and Closed Claims may differ due to rounding
ALAE - Allocated Loss Adjustment Expenses

At the one-year mark, 96% of claims have been closed.

This is 11 percentage points higher than [Hurricane Fiona in 2022](#). The amount of claims that have been closed indicates that insurers have continued to take concrete actions to improve claims and complaint handling since the 2022 hurricane.

Factors that Impact Claims Resolution

While insurance companies aim to resolve claims as quickly as possible, some circumstances can cause delays in closing claims. Many homeowners are able to move back home and resume their lives after repair or rebuild work is complete; however, a claim could remain open for many more months while final invoices are collected and replacement items are purchased. To finalize outstanding costs and payments, a claim may remain open for six or more months after the rebuild or repairs are completed and the homeowner has moved back in.

Commercial property claims include business interruption and can cover lost revenue for an extended period. Some businesses could suffer reduced revenue from an insurable loss for 12 months or more; therefore, businesses may not be able to calculate their net lost revenue until after the one-year mark. After one year has passed and the gross revenue has been calculated, it could then take several months to determine the net lost revenue.

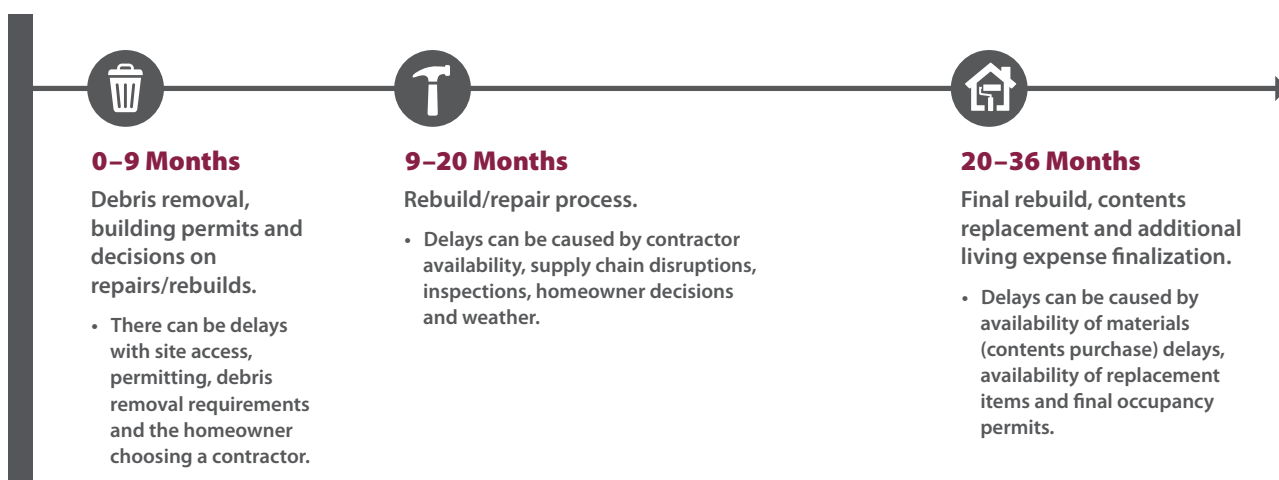
Auto claims are usually settled relatively quickly with the vehicle owner; however, it could take many months to dispose of a salvaged vehicle and settle with the salvage vendor. A claim generally remains “open” until all payments have been processed, and final salvage proceeds have been disbursed. For repairable vehicles, depending on the severity of the damage, IBC has noted that some auto body shops book 12 months in advance due to the high volume of claims after a disaster and have limited resources to complete repairs. This, of course, delays the claim settlement. Some vehicles may have additional damages (e.g., electrical or mechanical issues) that are discovered after the initial repairs are completed and the vehicle is returned to the owner, and the claim may remain open to address additional costs and expenses.



The goal of insurers is to settle claims swiftly and is a testament to the industry's commitment to helping policyholders rebuild their lives. However, the large volume of claims in a short period of time in the summer of 2024 stretched the industry's capacity. [Provincial barriers impeding the mobility of adjusters](#) across Canada impacted the industry's ability to effectively respond to consumers who were impacted by the catastrophic events. Such regulatory agility – allowing adjusters to move between provinces – ensures that resources can be rapidly mobilized to meet urgent needs.

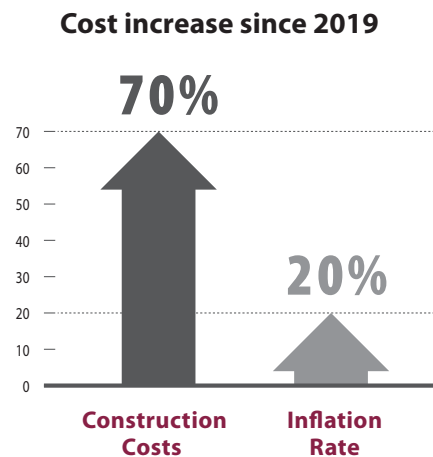
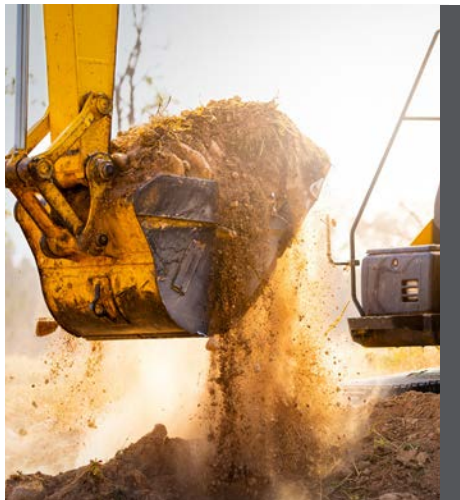
Other factors that lengthen timelines for repair or replacement for some affected properties include a high demand for skilled repair and restoration contractors in each affected area and inflationary pressures on residential building costs.

The insurance industry's general timelines for total loss claims are typically:



Statistics Canada's recent Building Construction Price Index found that residential building construction costs have soared by 70% since Q1 2019, vastly outpacing the 20% general inflation rate over that same period.

Since Q1 of 2019, the cost of lumber and other wood products has increased 26%, the cost of fabricated metal products and construction materials has increased 41%, the cost of machinery and equipment has increased 22%, the cost of furniture and fixtures has increased 18%, and the cost of cement, glass and other non-metallic mineral products has increased 44%.



Source: IBC analysis with data from Statistics Canada: Building Construction Price Index - Residential Buildings Metropolitan Area Composite; Consumer Price Index - All Items CPI Excluding Food & Energy

A Look at Issues Impacting Claims for Each 2024 Summer Catastrophe

Toronto and Southern Ontario Flooding

Much of the damage to homes and businesses occurred from sewer backup as the municipal systems couldn't handle the large amount of water. Water also entered homes through window wells as the ground couldn't absorb it quickly enough.

Some residents had a limit on the amount of water damage coverage they had purchased in their policy. Other residents had coverage for sewer backup, but not for overland flooding, resulting in some damage not being covered. Overland [flood insurance coverage is optional](#), and high-risk properties may not qualify for this coverage or have reduced coverage limits.

Jasper Wildfire

To [help expedite the recovery process](#) in Jasper, the insurance industry coordinated and paid for a bulk appliance collection and disposal program of contaminated refrigerators and freezers. The industry also hired a project manager to facilitate the coordinated removal of all other debris from damaged

residential properties. However, delays beyond the control of the insurance industry have impacted claims resolution.

With the town's location in Jasper National Park, Parks Canada had to develop its own playbook on recovery. The jurisdictional issue of Jasper being located on federal land caused some delays in the permitting process. In July 2025, a year after the town burned, the federal government announced it would be expediting efforts moving forward and providing up to \$5 million in additional support to cover the unexpected cost to residents of soil testing and removal, as insurance covers damage to homes and businesses, not the leased land, owned by Parks Canada.

New rules were put in place by Parks Canada for rebuilding damaged properties to help ensure a more resilient community. Wood siding and wood roofs are no longer allowed as these materials are not fire resistant. Permit requirements were also revamped by Parks Canada to ensure compliance with environmental protections and to keep residents safe when debris removal was taking place.

Due to Jasper's remote location, the supplies and materials needed to rebuild properties had to be brought in. Commercial accommodations that were destroyed reduced the number of rooms available to contractors. There were also reduced options for hotels, gas stations, restaurants and many other businesses due to the fact many were destroyed.

Many residents continue working through the process of securing the proper permits to begin reconstruction of their property. At the time of this report, 106 (30%) of buildings that were destroyed now have a rebuilding permit, and most of these have started the construction process.

Calgary Hailstorm

Settling claims from hail damage requires dealing with multiple trades and suppliers to get repairs completed. Roofs, siding, windows, eavestroughs, decks, fences and even outdoor furniture are all components that can be damaged by hail, and different vendors are required to repair or replace each. Coordinating the various contractors and completing the necessary work in a timely fashion can be challenging, as there are a finite number of skilled tradespeople to complete the massive number of repairs. A further complication is that hail damage repairs are on top of all the ongoing new home building already taking place in Calgary; insurers are competing with homebuilders for the same skilled labourers, which is causing further delays in the recovery process.

Remnants of Hurricane Debby

Power outages, flooding, and wind damage can leave homeowners not knowing how to start rebuilding. After the remnants of Hurricane Debby, wet and damaged basement furniture piled up on the streets as residents started the cleanup process. Across southern Quebec, flood restoration contractors were busy pumping out water and completing temporary repairs to prevent rain from causing more damage. Not all affected residents and businesses had flood insurance coverage or had enough coverage to pay for the cleanup and repairs. Furnaces and hot water tanks were also damaged, and cleaning, inspecting and repairing these items takes time.

IBC's Consumer Outreach After Each Event

IBC set up its [Community Assistance Mobile Pavilion](#) (CAMP) in [Jasper](#) at the Municipality of Jasper's Welcome/Re-Entry Centre in Commemoration Park, alongside many insurers. IBC also set up Virtual CAMP after the Toronto and southern Ontario floods, the Calgary hailstorm, and for those impacted by the remnants of Hurricane Debby.

Year-round, IBC operates a Consumer Information Centre that is staffed by experienced insurance professionals who answer general insurance inquiries from across the country. During the four catastrophic events that took place in the summer of 2024, IBC responded to hundreds of inquiries from consumers with insurance questions. Many people reached out to IBC to validate information being provided, discuss the claims process – including the general expected timelines – and obtain a better understanding of coverages that may be available in their policy. IBC also provided details of the claims dispute resolution process so consumers were aware of the options available to them.



Current State of the Property Insurance Market

Severe weather is causing financial turmoil and stress for Canadians from coast to coast. As these events grow more frequent and more destructive, pressure on the property insurance market is building. IBC recently published a report entitled [Personal Property Insurance at a Crossroads: A three-point plan to keep homeowners protected](#).



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