

SGI demanding aluminum wiring checks

HOMEOWNERS in Saskatchewan with aluminum wiring in their homes could face difficulty in finding property insurance coverage.

As of May 1, Saskatchewan Crown corporation SGI Canada joined many other insurers across the country in requiring homes with aluminum wiring to be inspected by a licensed electrical contractor before offering coverage on new residential property policies.

The Insurance Brokers Association of Saskatchewan, along with the Saskatchewan Realtors Association, has released a bulletin to inform consumers in the province about buying and selling properties with aluminum wiring.

Many homes built in the 1960s and 1970s contain partial or full aluminum wiring, which was installed as a cheaper alternative to copper wiring and has been found to have a higher risk of fire. Aluminum wiring has been grandfathered into the National Building Code of

Canada, so it does not need to be replaced, except in the course of renovation projects where electrical changes are being made.

However, any abnormalities such as flickering lights, burnt insulation, or warm cover plates, however, should be considered early warning signs that require urgent attention, the IBAS said.

Under the new rules, most insurers will now require a licensed electrical contractor to complete an electrical home compliance report before offering coverage on a newly purchased home. Some will require a specific checklist be completed, while others will accept a contractor's report that describes the condition and potential remediation requirements of the wiring.

The IBAS said a limited number of insurers may simply not offer coverage on homes with aluminum wiring, regardless of its condition.

CatIQ joins Western on tornado data project

CATASTROPHE Indices & Quantification Inc. has teamed up with Western University's Northern Tornadoes Project to share information on severe weather events.

The partnership will allow the Toronto-based CatIQ to include the NTP's tornado tracks and downburst data as part of its platform, which provides analytical and meteorological information on natural and man-made catastrophes in Canada. CatIQ's insured loss estimates for catastrophic events will also now be included in the NTP's open-access database.

The NTP was founded in 2017 as a partnership between London, Ont.-based Western and social impact fund ImpactWX. It aims to improve detection of tornado occurrence throughout Canada, improve severe and extreme weather understanding and prediction, mitigate harm to people and property, and investigate future implications due to climate change.

It first began tracking tornadoes in Northern Ontario in 2017, expanded Ontario-wide in 2018, and Canada-wide in 2019.

Obtaining accurate loss information for damaging wind events such as tornadoes is a challenging but necessary part of assessing the impact of an event, said David Sills, executive director of NTP.

"The (information) that CatIQ provides will help NTP ensure that the best available data are used for event documentation," he said.

CatIQ is excited to be working with the organization, said Laura Twidle, managing director of CatIQ.

"The addition of the Northern Tornadoes Project's precise tornado tracks and downburst extents provides CatIQ subscribers with a comprehensive catastrophe hub that helps them to quickly assess the damage area in large loss events," she said.

Institute impressed with hackathon entrants

NEARLY 100 students recently competed in the inaugural student 'hackathon' held recently by the Insurance Institute of Canada.

Students from 26 schools were matched with mentors from the insurance industry to develop ideas around artificial intelligence and big data that could solve industry challenges.

"Each of the solutions, particularly among the top five finalists, showed an amazing passion about the insurance industry and products and customers," Trevor Buttrum, the institute's career connections manager, told *Thompson's*. "Students seemed to get really excited by having the opportunity to take something from a kernel of an idea to something that could be actually tested and implemented down the line."

'The Jedis' were the winning team, with a risk management app that would help homeowners prevent potential losses. The design used data from home sensor technologies including fire detectors and water sensors to make recommendations to homeowners about actions that could be taken to prevent loss.

Many of the event participants were from STEM backgrounds, rather than the insurance industry, Mr. Buttrum said.

"We were surprised by the number of people participating who had never thought about, or explored, the insurance space previously. They were able to assimilate an incredible amount of information to get to a spot where they could make informed choices and decisions."

U.K. auto insurance rates fall to lowest level since 2016

THE ASSOCIATION of British Insurers said auto insurance premium rates in the U.K. in the first quarter fell 7% compared to Q4-2020 — the largest period-over-period drop since it started collecting the data in 2012.

The insurer trade association said its latest Motor Insurance Premium Tracker data shows the average price motorists there paid for comprehensive auto coverage in Q1-2021 was £436, roughly C\$745.

That's the lowest level since 2016.

The ABI says its tracker is the only survey in the U.K. that examines the price consumers pay for their cover rather than the rate they are quoted.

It shows that the average premium paid in the first quarter this year was down 8% compared to the same period in 2020.

The ABI attributed the rate decrease in the first quarter this year in part to insurers passing on cost savings from fewer claims settled during previous pandemic-related restrictions.

And it also cited the likelihood that there were fewer young drivers — who typically pay higher premiums — on the roads due to driving test restrictions.

The ABI noted insurers continue to face cost pressures related to rising repair bills.

"The next few months will see significant developments in the motor market, as we cautiously emerge from the pandemic, returning to more usual driving patterns," said Laura Hughes, ABI's manager, general insurance.

"And while underlying cost pressures around rising repair bills will remain, the market will stay competitive, enabling motorists to shop around for the best deal for their needs."

Auto insurers in the U.K. have been looking forward to reforms for whiplash claims that come into effect this month.

U.K. drivers who incur a whiplash-related injury for no more than three months will receive up to £240 (C\$410) in compensation.

Benefit levels rise in three-month increments up to 24 months where there is a maximum payout of £4,215 (C\$7,215).

Those who suffer a whiplash-related injury for between six months and nine months will receive £840 (C\$1,440) with those suffering between nine months and 12 months being paid over £1,300 (C\$2,225). Drivers in the U.K. who have a whiplash-related injury for more than 12 months but no more than 15 months will qualify for a payout of £2,000 (C\$3,425).

The new legislation allows for an uplift of 20% in 'exceptional circumstances' where courts consider damages should be greater than the new limits.