

Financial Costs of Wildfire Evacuations

There have already been 1,700 wildfires across Canada during the first six months of 2017. The province with the most wildfires is Alberta, accounting for 37% of the national total, followed by British Columbia with 16% and Quebec with 8%, changing daily in this summer.

There is a ton of information available on wildfire prevention and preparedness, but there has been little information circulated on what financial losses people suffer from wildfires. The wildfires in Fort McMurray have given some great insight on just what those numbers look like.

Residents can be affected by wildfires in two different ways. The first includes those who suffer direct fire loss to their home and belongings; the second includes those who suffer indirect fire loss, like smoke or ash damage. Clearly the costs of a direct fire loss are significant; however, indirect fire losses can add up quickly and can create a significant financial burden as well.

Indirect fire losses in Fort McMurray included the following:

- Spoiled and contaminated food was the number one type of property loss. It isn't surprising considering the number of extended power outages, and the length of time the residents were evacuated. This includes damage to the refrigerator or freezer containing the food.
- Smoke entering the home, and ash settling in the home was the second most common type of indirect property loss. The infiltration of smoke and ash can cause damage to clothing, furniture, drapes and carpets. Without proper cleaning and remediation, the smell can linger for months.
- Additional living expense refers to the additional expenses residents may have to incur as a result of having to live away from their homes. Lodging, meals and gas are examples of additional living expenses.

The average cost reported for an indirect loss was \$11,300. Even without damage to the residence or belongings, the average cost for additional living expenses alone during the evacuation period exceeded \$3,000.

The good news is that, residents with insurance coverage were able to recover the majority of their financial losses. Whether you own or rent your home, your insurance policy covers much more than just your physical property!

Tips for Surviving an Evacuation

- In the event of an evacuation, prepare to be away from your home for weeks. A mass evacuation order will cause a person to live away from home and you may be prevented from returning for several weeks, sometimes months. Evacuation orders can last well after the main fire has been controlled for several reasons, including additional smaller fires, air quality, dangerous debris and delays in restoring critical services.

- The alert period is when officials alert residents that they should be ready to evacuate at a moment's notice. You should pack suitcases with toiletries, medications, seven days worth of clothing and shoes and all important documents and contact information. Leave these suitcases at the front door so that they are ready to go or keep them in your vehicle when you are away from the premises. In some cases, you may not be allowed to return to your home to retrieve them.
- During evacuation the most important thing is to follow the directions of the authorities. Never attempt to return to an area that has been evacuated. Use social media and listen to local news reports for additional information and updates. Check into an official evacuation centre and contact your insurance provider as soon as you are able. Your broker will be able to explain the claims process as well as review coverages and deductibles, as well as next steps.

Be safe! Be Prepared!

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