

Our response to industry headwinds

A message from Kate Hogan

A few weeks ago, I made a commitment that you will see a regular cadence of balanced marketing and communications from us to keep you informed of day-to-day changes in our business. As we prepare to ramp up our communications, I wanted to provide you with insights into the recent rate changes that you have seen from Gore Mutual.

The insurance industry continues to face considerable headwinds, and macro-economic factors like inflation, geopolitical conflict, rising reinsurance costs and supply chain disruptions which have a direct impact on our business.

Trends in auto insurance

- Customer behaviour is shifting back to pre-pandemic levels – as more vehicles travel our roads, we continue to see normal frequency of accidents resulting in increasing auto claims.
- Supply chain demands and labour shortages continue to affect the availability of replacement parts and vehicles, leading to higher claims costs.
- Vehicles and their features are more sophisticated, resulting in expensive parts and longer repair times.
- Auto theft has increased claims costs and is a major factor in rising auto insurance premiums. According to the [Insurance Bureau of Canada](#), a vehicle is stolen every six minutes and overall costs Canadians close to \$1 billion every year.¹

Trends in property insurance

- Weather events have been increasing in frequency and severity, mostly due to water-related damage resulting in [catastrophic losses](#).²
- Skilled labour shortages and supply chain issues have resulted in productivity challenges and increases in rebuilding costs.

Our response

In recent months, you will have seen that our rates have increased in areas across our personal and commercial lines of business. We have implemented these rate updates to ensure that our price and product offerings are in line with the market, and to reflect the challenges noted above. You can expect some additional rate increases throughout the year as we continue to meet the demands of the economic environment. You can also expect to see updates to our product offerings to ensure that we provide your customers with competitive coverage options. Our commitment to you is that going forward we will be transparent with you about any changes to our products or pricing.

What you can do

One of the best ways to manage renewals for your customers is to proactively review policies to ensure that all the information is accurate for each risk.

- For personal auto and IRCA, confirm that your customers' information such as license dates, driver assignments and discounts are accurate.
- For personal property, please ensure that your customers' personal information is current, and that you have received credit consent to get our most accurate price. In addition, ensure that any updates made to the dwelling have been captured.
- Be sure to retrieve an updated evaluator to provide the accurate rebuild value of your customers' homes.
- If you would like to review your customers' renewal or find out if discounts are available, please contact National Underwriting Operations at 1-844-974-GORE(4673).

If you have any questions, please contact your Business Development representative.

Thank you for your continued support.



Kate Hogan
Vice President
Broker Engagement and Performance

¹ <http://www.ibc.ca/on/resources/media-centre/media-releases/insurance-bureau-of-canada-annual-top-10-list-shows-new-trends>

² <http://www.ibc.ca/on/disaster/water>