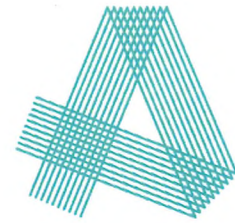


10 April 2019

ACCC Northern Australia Insurance Inquiry
GPO Box 520
Melbourne VIC 3001
Via Email: insurance@accc.gov.au



A CLASS
strata service

Dear Sir/Madam,

RE: *ACCC North Australian Insurance Inquiry's First Interim Report*

I believe that the *ACCC North Australian Insurance Inquiry's First Interim Report* contains certain misrepresentations regarding commissions that Strata Managers can receive. We have been extended an opportunity to comment on these issues.

I think a lot of these issues come about by the fact that they call it commissions and not a fee for service, commissions conjure a view that some is being paid for something for doing nothing.

It is fundamentally vital for the consumer to understand that the reasons for the Strata Manager receiving a commission is based on the work involved in and around it. The Strata Manager has to have substantial education and knowledge of insurance for our clientele, we spend a large amount of time liaising with the various people on Council's to get a decision, we carry a risk for the tasks we do. All of which is worthy of payment.

The end result for the consumer if commissions are eliminated will be increased costs to them directly. I also am of the opinion that our business reputations will be marred as the process of insurance and claims etc will now lie with a third party of which we have no control over.

I have been in Strata for over 25 years, the content of the Interim Report's contains misconceptions and certainly not enough facts form us who are on the front line of strata management. These actions will have damaging effects on our industry and what a shame that is, considering the good work that has been done to get it where it is today.

I am a proud member of Strata Community Association (SCA), I take pride in the fact that we have assisted strata complexes for a very long time providing an excellent service for a fair fee.

We have recently gone through changes to our Act and it is now considered one of the best legislations in the country. It addresses disclosure and transparency, all of which we have been doing for 25 years.

As a key stakeholder in the strata industry, I without hesitation support SCA's recommendations and submission to the *ACCC North Australian Insurance Inquiry's First Interim Report* and urge you to do likewise.

Regards

Warren Kiddle

Principal