

Response ID ANON-DUXZ-42RC-6

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:

[REDACTED]

I do not want my name to be published.

Do not publish my name

What is your email address?

Email:

[REDACTED]

What is your suburb/town and postcode? (Only one is required.)

Suburb/town::

[REDACTED]

Postcode::

[REDACTED]

If you live in northern Australia, please tick all descriptions that apply to you.

[REDACTED]

What type of residence do you live in?

[REDACTED]

What insurance do you currently have? Please tick all descriptions that apply to you.

[REDACTED]

What is important in your decisions about insurance?

1. How important is the price ('premium') in your decision?

You could also tell us: Did you know about the price of insurance in your town before you moved there? Has price changed a lot? Have you tried to get a lower price? :

Very important. We pay way too much for insurance in Townsville and our houses aren't even worth that much. Insurance used to be affordable here, however, ever since cyclone Yasi in 2011, the Brisbane floods and then the mini cyclone, insurance went through the roof and now there is not even an option to change providers as they will charge thousands more. You basically have to stick with who you have and pay the price.

I understand now why people buy a home, pay insurance for the first year then stop as it is not affordable.

2. How much choice of insurers do you have?

You could also tell us: Where you live, how much choice is there between insurers? Do you think different insurers offer different policies (i.e. is coverage different)? :

It doesn't matter where you live, any broker can get you insurance. They all offer similar coverage however, it is no longer affordable to change providers.

3. What are you covered for?

You could also tell us: Can you get the sort of insurance you want? Do you want flood insurance? How confident are you that you know what you are covered for and what limits you have? If you have made a claim, were you covered for what you thought you were?:

Full house and contents including flood, however, an old queenslander built on stilts will never flood. I have never made a claim so I can only hope that I am covered for what I believe that I'm covered for.

4. How important is customer service and claims handling reputation?

You could also tell us: How much does an insurer's reputation matter? How much does customer service matter? Have you seen an insurer behaving in a way that you think is unfair or confusing?:

Very important. Customer service is the key to any business which builds reputation.

5. Have you seen an insurer behaving in way that you think is unfair or confusing?

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No. Like I said, I've never made a claim.

6. Has an insurer told you that they won't insure you or renew your insurance policy? If they have, what were the reasons they gave you?

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No.

How you get information about insurance and how easy it is to understand?

7. What information does your insurer give you and how useful is it?

You could also tell us: Does your renewal notice say if price has changed and the reason? Does it say how premiums are calculated? What could insurers do to make it easier to understand their products? :

Everything when I ask them. Renewal notice always has an increased price and I always have to question it. It doesn't say how premiums are calculated.

8. Where else do you see or look for information?

You could also tell us: How much effort is it to look for better or cheaper policies? What sort of advertising do you see? Have you used websites, tools or calculators? If you live in Queensland, have you heard about or used the North Queensland Home Insurance website? What did you think about it?:

I have tried looking for better policies but got nowhere. They were thousands dearer than the thousands that I already pay. It's not fair. Living in Townsville used to be affordable prior to 2011 but it's not anymore, largely due to insurance. Friends of mine are selling and renting due to this problem.

I have used websites, tools and calculators.

9. Have you used, or thought about using, a broker? Why or why not?

You could also tell us: Did it make it easier for you to get a policy that you were more confident suited your needs?:

I have used a broker for years. They are very good.

10. Is there information to meet the needs of all consumers?

You could also tell us: Who can you ask if you need help understanding insurance? Is there information for people who are unable to read or write or use a language other than English? Do insurers have an office in your area or do they visit? Is mail, phone or internet access an issue in remote areas?:

11. What special information do owners or managers of strata units need?

You could also tell us: How difficult is it to get clear and useful information about strata insurance? How transparent is the information provided to strata unit owners?:

N/A

12. Have you seen examples of tools, technology or information in other industries that should be used to make insurance easier to understand?

Have you seen examples of tools, technology or information in other industries that should be used to make insurance easier to understand?:

No

Have you switched insurers?

13. Have you considered switching insurance in recent years? Did you go ahead and switch? Why or why not? Please tell us about your experience.

You could also tell us: Did you consider switching policies with the same insurer, to a different insurer, or both? How did you find and compare policies? How many quotes did you compare? Was it a lot of effort? How does the use of standard definitions, such as for 'flood', make it easier to compare? Was your focus on price or coverage or both? Did you use a broker to help you? :

Yes but its too expensive. I'm better off sticking with who I'm with.

I compared policies online and spoke to employees of insurance companies.

What can households and insurers do to make insurance more affordable?

14. Have you considered renovating or altering your home, or building a new home to, to reduce the risk of storm or cyclone damage? Did you go ahead?

You could also tell us: How did you find out about building for your local conditions? How did you decide that it was a 'worthwhile' investment? If you made any alterations, did this have any impact on your insurance premium? Has it already, or will it, save you money in the long run?:

Yes but this too is very costly and I don't believe that my premiums will reduce significantly if I do this.

15. What are insurers doing to make it easier and could they do more?

You could also tell us: Would your premium be lower if you made your house or belongings safer? Can you pay fortnightly or monthly and how much extra does it cost to do so? Does your insurer offer Centrepay to eligible customers? Have you seen new or different policies to target particular consumers, such as tenants, households on a low income, or people with only a small amount to insure? :

I have made many improvements over the years with security and the premiums were never reduced as a result. This was disappointing.

16. What are you doing to manage the cost of insurance?

You could also tell us: Have rising premiums motivated you to spend more effort looking for better policy options? Have you, or would you, reduce your level of coverage to save? Who else can you get help from?:

We are stuck with what we have and have to continue paying the high premium if we want insurance.

Other issues

17. If you have a view or experience to share that you haven't already covered in another question, please tell us about it. (Optional)

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