

Response ID ANON-DUXZ-42U1-Q

Submitted to Northern Australia Insurance Inquiry
Submitted on 2017-12-05 16:07:45

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Do not publish my name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::

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? :

Unfortunately insurance premium price is what actually dictates if people can afford to insure their assets. I have lived in Port Hedland for 23 years and owned property for the last 15 years. Building and Contents Insurance prices have increased exponentially in the last 10 years. I shop around for a value insurance company every year.

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)? :

In Port Hedland there are not many insurance companies that offer to cover the cyclone belt, so we definitely have less choice of companies to use than out "Southern" and "Eastern" brethren.

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?:

We have full building and contents insurance, including accidental damage. It is impossible to find a company that will insure for flood at an affordable price.

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?:

Reputation is very important. I have been paying for insurances for 20+ years and thankfully never had to make a claim.

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

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Not personally, but I have heard stories.

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?**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?:**

No, but the price did increase 300% over one year to renew a policy, and we didn't claim anything !!

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? :

I have no idea how premiums are calculated, all I know is it is supposed to be risk based.

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?:

Every year I would spend about 8 hrs reviewing our insurance, looking for cheaper policies that offer similar protection to what we currently have.

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 used a broker for 10+ years, then about 3 years ago our premium price went up 300%, and we could no longer afford the premiums, so I did my own research, found another insurer, 12 months later those premiums went up about 250%, so I did my own research and landed where we are now.

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?:

No

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?:

Na

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 - we have changed insurers three times in recent years, due to insurers increasing our premiums to beyond an affordable price. Yes it was not easy to do the leg work to find another insurer. I am fairly educated, persistent and focused, it is hard work for me to get all the required information to make an informed decision, I feel for people that have English as a second language or don't have great computer skills / awareness.

Yes I would have liked to insure our primary residence for fair market value, but we could not afford to do that, so it is insured for what premiums we can afford to pay, not its replacement value.

As an example - half of all our outgoing monthly costs are for insurances. This includes Income protection, Death and TPD, Health Insurance, Pet Insurance, Motor Vehicle Insurance, Building and Contents Insurance.....We are currently reviewing what insurances we have as we can no long afford to pay for all the types of insurances mentioned above.

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?:

Our home already has all the required modifications to give us the cheapest insurance we can have.

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? :

We currently pay monthly to make the payments more manageable.

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?:

no idea

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)

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

We view insurance as only really important for catastrophic loss and have fairly high excess levels to minimise premium costs.