

## Response ID ANON-DUXZ-42VG-E

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Do not publish my name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::

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? :

Price is exceptionally important. I did not know about price before I moved here, however this was 11 years ago and at the time I was single with minimal belongings so it was not a particularly high consideration.

Over this time however, I have become a permanent resident and have a family of 4 (husband and 2 children). I first had contents insurance and now as an owner-occupier (3 + years), have home and contents insurance. There has definitely been a significant increase to insurances (including car insurance) over my time here. I proactively seek at least 3 quotes every year to ensure value for money on all insurances. The increasing cost has put significant pressure on us as a family during a time where housing values have dropped, incomes have declined and costs of living have continued to increase.

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)? :

I have not been declined a quote or coverage from any insurer so choice is same as anywhere else from my POV. However there is a wide range in what policies cover - this is exceptionally difficult to navigate and/or really understand for average people like us that do not work in the industry. It is also hard to determine what coverage is more important.

There is a HUGE difference in price between policies - so this does impact on "choice" when in context to our disposable income. If I could afford top cover for all items annually... of course this is what I would go for!

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?:

I am comfortable with our current insurance provision. It does include flood insurance as we have been advised in the past that any damage the result of a cyclone could be considered flood damage. If we didn't have it, there could be an argument not to pay so we have always ensured this is included. I could not be sure however that this is in fact a fair statement (that we NEED to have flood cover), and could simply have been a way for the insurance company to increase the premium.

I did make a contents claim in 2014 under my current insurer. They were easy to deal with and it was resolved rather quickly for all items claimed. Because of this, I have stayed with the insurance (plus they have always been most competitive price) although my policy now includes home insurance. I have not had to make a claim there.

#### 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?:**

Making an insurance claim = stressful time! Obviously something out of the ordinary has occurred to damage your property so customer service and quick resolutions are of utmost importance. Anything that is unfair or confusing only adds to the stress. This may be manageable in families where finances are not tight but in our family - we do not have spare funds to assist through these times.

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

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

Not that I am aware of.

**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.

#### 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 don't recall our insurance premiums ever stating these items on a renewal notice. Any increase has always been verbally provided as "more than likely, there have been an increased number of claims in your area". This has never been substantiated by any hard figures, and my premiums have NEVER been less.

It would be good to have a standard set of criteria that insurance companies have to tick yes/no (or provide details to) so that we can more easily compare like-for-like.

#### 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?:**

It is VERY time consuming looking for better policies, particularly when you can only call out of business hours when the kids are asleep! there are options for online quotes which I have used, but in my experience a company will always provide a better quote over the phone than online and I prefer to speak to a person to ensure I can ask questions and not "falsely represent" any information.

#### 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?:**

No.

1. I am never sure that they comprehensively search a range of providers instead of just the ones they "generally" use or those companies that provide them an incentive.

2. There is a cost for service. If I could guarantee this would be matched by savings I would incur the cost. But we can't afford it.

#### 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?:**

There are no offices locally to ask questions that I am aware. I don't know who to ask or where to go for detailed assistance.

#### 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?:  
Not that I can recall.

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? :

I receive comparative quotes annually and would be willing to switch if a more favourable option presented. I have changed car insurance providers in recent years as despite all my other policies being with another company, the car insurance is always significantly higher.

Some years ago I was insured with Commbank and in one year it increased over \$1500. I switched providers then too.

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?:

Not specifically to reduce storm/cyclone damage. We would consider it if there was merit/value in it and not just for insurance premiums. No one wants to see their property damaged in extreme weather conditions!!

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 via direct debit. Up until 2 years ago we paid annually but we can no longer afford to do this. I have not seen or heard of other options available to us to make this 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?:

Yes - rising premiums have led to me investing more effort for better options. We have changed our excess to reduce premium cost but going through each of the options with each different insurer is time consuming and deflating (to say the least!). I have no idea who else to get help from.

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.:

Only that the cost is becoming unbearable to the point we have considered not having insurance. But that just seems like a worse option!

I can not control how many claims are made in my area (theft, security); I can not make my house any safer; I have made one claim in the last 11 years and yet every year the premium goes up. My family and I do not know how else to combat the rising cost.