

Response ID ANON-DUXZ-42BQ-4

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Do not publish my name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? :

A big factor, have gone with option of high excess to try to keep rates down. After a claim after a one off flooding event in Kununurra, majority of pricing seemed to take quite a substantive jump.

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)? :

We are deemed to be in a cyclone rated area by many companies, however, Kununurra is inland. Additionally, some will not insure above the 26th parallel at all.

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?:

When have actually made claims have been covered

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?:

We manage a property management portfolio and reputation is definitely taken into account when we, or owners are looking into insurance. Wording can be confusing, particularly in relation to flooding and what is deemed natural event/act of god etc and what may or may not be covered. The insistence of some insurers to get multiple quotes in such a remote area can also be time consuming and expensive if the tradespeople charge for their time to go and quote.

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

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When fence panels are being kicked in by people passing by a vacant property I feel it very unfair for owners to be charged multiple excesses for what is really the same re-occurring event over a number of days.

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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Only in relation to being above the 26th parallel.

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? :

Just simplify wording. Price increases are specified, but no do not know how they calculate the premiums.

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?:

In trying to use websites that are advertised on TV to get comparable quotes are usually hit with the 26th parallel issue. Vehicle insurance as well.

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?:

Yes, have used a broker and have found sometimes still achieved a better rate for certain policies without use of a broker, however, do feel a lot more confident that I am getting correct coverage by use of a broker.

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 offices in our area I am aware of, all by phone internet, which is usually fine, so long as no one has cut the town off.

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?:

Whilst I do not have strata insurance, I have seen some of owners of property be quite confused as to what is covered by the strata company building insurance and what the owners need to cover separately as does seem to be a variance.

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?:

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? :

Due to the flooding incident and that a claim was made for our office the premiums went up quite substantially. I obtained quotes from one broker and the owner of the office building from another broker and there was quite a substantive difference in pricing which effected overall decision, even with a higher excess payable if an event did re-occur, which would think reasonably unlikely given the circumstances of the actual event in Kununurra in 2014, (event could likely have been avoided if certain actions had been taken including more regular cleaning of drain systems in town and opening of dam gates earlier)

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?:

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? :

Our home insurance is paid monthly and there is additional costs involved to do this, when I have obtained other quotes previously this has been across the board.

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?:

Cancelling insurance for one vehicle. Going for higher excess to reduce annual premiums.

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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