

## Response ID ANON-DUXZ-42QE-7

Submitted to Northern Australia Insurance Inquiry  
Submitted on 2018-01-18 16:43:17

## 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Do not publish my name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? :

We've lived in NW Western Australia for 35 years.

The price for House and Contents insurance has increased astronomically (increase for 016/017 year to 017/018 was 100%!!

We've "shopped around" for the last two years and have been successful in obtaining minimal reductions.

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 have LIMITED choice (perhaps 6 different Companies)

The Policy and Coverage is fairly similar with each Insurance Organisation.

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're covered for the usual scope of Household and Contents Insurance.

We don't require flood insurance, but because we live in an area designated by the Insurance Organisations as "Cyclone prone" we pay a significantly more expensive levee than, for example, we do for a property we own in South Australia.

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 live in an Isolated Locality, therefore levels of service provided are restricted to our treatment/response times provided by either telephone or email: On the very few occasions that we've had to deal with Insurance issues, we've been satisfied with the level of service.

**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? :**

The UNFAIRNESS is the continual ratcheting upwards of annual fees!!

**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? :**

Our last insurance account for Household and Contents increased from approx \$4K per annum to \$8K per annum. THE INCREASE WAS HIDDEN in the small print on the last page of the explanatory notes (about 5 pages).

There was no explanation IN THE PAPERWORK of how the premiums are calculated; this information was only obtained by a phone call to the insurance company.

Explanations regarding understanding of the insurance products and type of coverage are satisfactory.

**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?:**

We've made the effort to find better/cheaper policies.

THERE IS NIL ADVERTISING of Insurance products that are applicable to those of us who choose to live in Regional/Isolated Localities.

We don't live in QLD.

**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?:**

We've regularly used a Broker, but our geographical location limits the ability of the Broker to obtain a more reasonably priced product for us.

**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 problem understanding the fine print accompanying the products.

Language other than English - N/A to us.

Insurers don't have offices anywhere near the Kimberley Region in WA.

Electronic/Telephone access isn't a problem.

**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?:**

Unknown - we have a Strata Manager who looks after such issues for our Investment Property.

**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? :**

We've switched Insurers about 3 times in the last decade (with and without the assistance of an Insurance Broker).

"Flood" isn't a word of great concern to us - it's the fact that we supposedly live in a CYCLONE PRONE AREA. There is DEFINITELY NO detail in the Insurance paraphernalia to explain the additional cost we pay because of our geographical location.

### **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?:**

We've lived in our current residence for 2.5 decades: in that time we've not claimed on the Household/Home component of our insurance.

We've had two claims for Content damage/loss.

**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? :**

To directly answer the question, Insurers are doing ABSOLUTELY NOTHING!!

Given the answer I've just provided to Q14, I believe there should be scope for Insurance Companies to offer a "No Claim Bonus" or similar to long-term clients (eg., after 5 years of claim-free Insurance history and then again for 10 years of claim-free history).

**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 spend time looking for better policy options as a matter of necessity.

We've actively considered a reduction in our level of coverage, but have decided against taking such action.

I don't know - or need - any additional help other than that provided by a Broker.

### **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.:**

No Claim Bonus - As mentioned previously, I can't see why Insurance Companies are unable to offer some type of Bonus for long-standing customers who have a record of no claims over a long period ( 5 or 10 years, or multiples of 5 years).

Cyclone areas - DETAIL of the additional impost on those of us living in such areas should be shown on all Policy information documents.

We have THREE PROPERTIES - surely Insurance organisations have the ability to

: Confirm a long-standing record of no claims.

: Offer a "Bulk" price for insurance of multiple properties with resultant and commensurate overall reductions in total premiums.