

Response ID ANON-DUXZ-42VE-C

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:
PAUL BLOMME

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? :

1. No
2. Yes, but prices nearly doubled every year
3. Yes, but there are only minor differences and no competition and a lot of collusion among insurance organisations

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)? :

1. May be 2 or 3
2. about the same policies for storms and flooding despite the fact that we live on the top of a hill. Is this not exploitation? We complained but insurers are forcing us to included flooding. So, we are paying for others who live close to the water!

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?:

1. No
- 2.No
3. Not confident at all because of the fine print and a lots of exceptions
- 4.Partly

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?:

1. I believe they are all the same if they can get out of a claim
2. I heard and read in the media many reported complaints about unethical insurances exploiting many older owners. I met personally someone who was ripped off and not compensated

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

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No

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, but I believe that insurers are not interested in insuring owners on a low/limited yearly income

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? :

1. No, never
2. No, never
3. List all the facts related to the position of your home and other factors e.g. being top of a hill and not living next to a creek or river, quality of construction, external/internal walls in concrete, roof and trusses strength, dodgy builders and lack of building code regulations etc.

All the above facts and more should be taken into considerations prior to premium calculations.

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?:

This is not solving a major problem by looking for bargains on the internet!

All insurers' policies must be strictly regulated by the Commonwealth/State even if owners are residing in different regions of Australia. Various natural disasters can occur anywhere e.g. fire, flooding, cyclone, earthquake. Therefore, the Government must act to prevent owners to be exploited by insurers anywhere in the country.

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, it is a little cheaper for large unit complexes but not for individual owners residing in a house

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?:

1. But, brokers have their self-interests and useful for large community complexes
2. Go to a broker for more information
3. No
4. No, but insurers do not know the region very well, so they apply common policies around the same State e.g. Queensland is prone to cyclones, WA prone to earthquakes and storms etc.

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?:

1. Very difficult as mentioned above e.g. location, area type, construction quality etc.
2. Use a Broker to get more discount

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?:

Yes, where risks are high such as in construction, underground mining, chemical manufacturing.

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? :

1. Yes
2. Get quotes
3. Three
4. Yes
5. Not easy because you have to ask explanations e.g. "Flood" from a storm or from a broken pipe in the house!

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?:

No

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? :

1. No
2. No
3. No

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?:

1. No
2. Yes
3. Nobody

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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People want natural disasters in Australia to be regulated and taken over by the Government