

Response ID ANON-DUXZ-42M6-M

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:
Natalie Clark

What is your email address?

Email:

What is your suburb/town and postcode? (Only one is required.)

Suburb/town::

Postcode::

If you live in northern Australia, please tick all descriptions that apply to you.

What type of residence do you live in?

What insurance do you currently have? Please tick all descriptions that apply to you.

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? :

The insurance is getting more and more expensive with less things covered. Many insurers aren't insuring in Cairns anymore so there is little to no choice. I need to insure two houses and a unit each ya and it is financially killing me. I have never put in a claim.

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)? :

There is little to no choice in Cairns. Who knows what is on offer, generally you have to go with whichever insurer will insure in the area. And generally for less coverage that's what I am getting in NSW

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 need Home and contents insurance, landlord insurance, and cyclone and flood insurance. I couldn't tell you what I am covered for in the different properties, I just had to go with whichever company would insure in the area that the time.

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?:

Customer service is critical. I pay \$2,500 insurance per year for one of my properties and attempted to make a claim on my landlord insurance after the tenant tore all the kitchen cupboard doors off and basically demolished the property but it was declined because there was no police incident number. I'm in Sydney and the house is in Cairns - how am I meant to report this at the time it occurs? It's unreasonable. I also attempted to make another claim after a pipe in the bathroom

burst and casusd damage, That was also knocked back and I had to pay for full renovation of the bathroom and adjoining bedroom. Why even have insurance at all?

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

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Please see response to question 4.

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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Yes, for my unit block in Cairns. At one point we didn't think we were going to be insured at all. They said it was because there's too many cyclones in Cairns. The other insurers removed all sections of the policy that related to cyclones and flood (which is why we need insurance in Cairns!) and advised that those components could be added on to the policy for an extremely inflated price. We had been covered for these things for over 10 years previously and had never made a claim!

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, those insurance policy documents are a just me and they always find a loophole when they need to. I have no idea how the premiums are calculated but I'm interested to know because they are VERY different to what I pay in NSW

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?:

I have had little to no choice and have had to go with the insurer that was operating in the area at the time. At one point I called a number I found insurers and was told by most of them that they are no longer operating in Cairns because it's too risky

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 use a broker for our building insurance. Again, there is little choice

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 one that I'm aware of

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?:

On request, our broker and body corp manger give us a breakdown of what's not covered every year

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? :

For my unit building, yes. We switch to whichever is the cheaper but there's generally only a choice between 2 insurers and neither provide the level of cover we require - or have had for the past 10 years

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?:

Yes, I have done all this and review the property details each year with the insurers for both my unit building and houses.

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? :

Please see above

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?:

There's no choice!!!!

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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