

Response ID ANON-DUXZ-42BJ-W

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:
Peter Crowley

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? :

Premium is important but the insurer also needs to be able to deliver and not under provide when the need arises (usually exclusions hidden in fine (very fine) print. Insurance premium has tripled in the last 5 years despite me reducing each year by increasing level of excess I have to pay. This is also noting that I have not claimed anything in this period. I have had no major claims ever. Suncorp have increased my premium 16 % this year (due December) with no claim in years. They increase the level I must cover my house for now \$574K and when I tell them my house (and land) is worth on current market \$450K they state the extra is due to increases on rebuilds during extreme events.

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)? :

Very limited choice of insurers. I have tried the online insurers and after providing them with all my information the last detail they request is postcode then state their underwriter won't accept risk. This could have been the first question asked.

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 don't want or need flood cover. House is on a rise outside of any flood and tidal surge (on Cat 5 event) but in an evacuation zone (I expect due to one road in and out not because we are all at risk of inundation.

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?:

very. haven't had an insurer behaving in an unfair way (but small print a concern)

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no, reports only (I work in disaster recovery)

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. as detailed above the online insurers have advised that they wont cover us due to post code.

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? :

renewal premium doesn't advise premium has changed and or reason unless it is in very small print (but agree they should advise and reasons)

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 tried websites, rang insurers referred from friends. Most calculators wont work (won't cover post code)

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?:

I have used a broker previously but they in the end didn't assist in receiveing any lower price that I couldn't seek myself.

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?:

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?:

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? :

yes and I have tried but premiums didn't make worthwhile for the insurance companies that would cover the region (Mackay)

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?:

The building inspection I had when the house was purchased stated what an excellent roof tie down system and quality built dwelling, doesn't mean a thing to

insurers. House build in 1995.

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? :

not required

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?:

I have tried and will try each year but all insurers appear to use big NQ events to raise premiums. I note in my job that the many disaster events (severe storms and flooding events) that hit south Queensland don't impact their premiums as much (talking to family members and Southern friends)

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:

Australian Government allowed new insurers into the market a number of years ago to bring down insurance premiums. All that has happened is they target the greater populated areas to spread risk in relatively small parts of the country thus increasing premiums to the insurers who do insure in NQ.

My suggestion is for all insurers must insure on a percentage basis all regions of Australia to spread risk over all areas and not just cherry pick.