

Response ID ANON-DUXZ-42UF-C

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:
John Cugey

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? :

No I did not know about the price of insurance. I use an insurance broker for my business and landlords insurance. I did have an investment property in Perth for 20 years and the Landlords insurance was about \$750 per year. I have had the investment property in Kununurra for 5 years now. When I first purchased it the insurance broker could only find a few companies that would provide this type of insurance. Prices were double of Perth. This year I got my renewal and it was \$2830 with this from the insurance broker -

Vero initially offered renewal terms at a 13% increase on last year's expiring premium. After negotiations, we have managed to secure renewal terms at an increase of approximately 7% which is comparable to the 5% Indexation increase of the Building Sum Insured.

I thought this was a bit steep as I have not made any claims the past couple of years. I did some of my own research online and found like the broker most companies will not offer Landlords Insurance if your are north. Elders did though and came back with a competitive quote of \$1300 which I took up. I wait to see what next year brings

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 very limited choice for companies offering Landlords insurance in Kununurra, with some differences and varied prices from \$1300 to \$4000 for the same basic policies

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 can get what I wanted but very limited choice in companies. I wanted Landlords insurance - building, some contents, liability, tenant default and damage, loss of

rent

I have made one claim for storm damage about 3 years ago, went through okay, except was not happy with the repairs made, limited choice of good trades persons

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?:

I try and leave all this to the insurance broker to do-

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

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this below from the broker, how can they justify such an increase?

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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 a few companies will do landlords insurance for the north

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? :

product disclosure statement, no reason for price change or how premiums are calculated. If the want to increase by 13% I am sure that they think that have good reasons but the need to communicate much better and justify there 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 normally let the broker deal with this, but this year I did my own research, using google, comparison websites, and individual company websites

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 use a broker, but this year did my own research and found a much better price, I would normally recommend a broker as the do alot of the leg work and follow ups and claimss

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?:

all good for me with this questions - no problems

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?:

na

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?:

need to be more customer focused, independent review sites are great

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? :

Switched this year. comparing policies was easy, took several hours to do all the research etc my focus was on comparable policy and price the broker did some research as well

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?:

na

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? :

they all offer payments split over 12 months but this cost extra. they only do as much as think that they need to do to avoid any bad media attention

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 put a bit away each week to pay the insurance once a year to avoid having to pay extra

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.:

Need to have Landlords insurance for the investment