

Response ID ANON-DUXZ-422A-4

Submitted to Northern Australia Insurance Inquiry
Submitted on 2017-11-29 19:20:23

About you

What is your name?

Name:
Keith

What is your email address?

Email:
[REDACTED]

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

Suburb/town::

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? :

Here is a small break down of the price hikes my insurer has giving me over the duration of my policy. initial monthly cost was \$273.17 in sept of 2014. It increased to 316.65 in june 2015 a year later it increase again to 336.29 and then in july of 2017 it jumped almost \$100 to 416.22.... I have made no claims and my house has not been damaged by any "major weather events" in the time i have had the policy. In total year to date i have paid \$12,648.26 to an insurance company.

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 are the big banks and smaller insurance companies. I have been told first hand from a person who works at insurance that most will have a "introduction premium" to entice you to join, then hike up the premiums from then on out.

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 dont have an option to be covered for flood, it is mandatory in my post code. I am covered for fire, theft, storm surge. The usual ones.

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 HAVE NEVER MADE A CLAIM! YET THE SCUM HIKE THE PRICES

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? :

Why have my premiums gone up even though i have not claimed, I have not been giving enough information or choice on this price increase. My premiems have increased by %53 (that is \$143/mnth)

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? :

They provide a PDS each renewal period (yearly) - The also show that premiems are goign to increase with minimal or ambigious reasons with out actual proof.

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 heard from numerous poeple who have spent the time 'shopping' around that it is great for the first year but then as usual the premiems increase. It is common knowledge the insurerers have low inticing 'joining' premiems than just hike it up knowing full well everybody else does.

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 don't know what a broker is.

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?:

I see a mortgage manager perhaps once a year, I have an insurance policy through my bank. He has called them personally to ask why my premiems have increase and why they are so much. He gets the response of " its the location of the residency - it's is prone to flooding " when asked for information of proof that the actual lot floods they have no answer as it is a 'blanket' policy.

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?:

Not to my knowledge.

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, after the last price increase i was extremely upset with my insurer, i think they are price gauging and using 'cyclones' and 'significant events' as a way to make it seem legitimit. I however like most others have not spent the effort in shopping around. Like i had mentioned earlier i have heard many reports that changing insurer saves you money.... at least for the first year then they hike the prices !

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, in the 4 years i have been in this home it has not suffered in anyway from storms or cyclones.

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? :

My premiems wouldnt change, they went from 273 to 416 in 3 years and i have changed nothing.... They are clearly ripping poeple off, i have not made any claims and have experience 1 cyclone and many 'significant' weather events.

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 just pay it, The day you don't pay insurance is the day something happens. It is literally a catch 22.

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.: