

## Response ID ANON-DUXZ-42G8-G

Submitted to Northern Australia Insurance Inquiry  
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## About you

What is your name?

Name:  
Jennifer Kranendonk

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.

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? :

We seem to have little choice, I knew it would be more costly living in Broome but in the last few years the insurance premiums have sky rocketed. Last year when I received the renewal I rang around and enquired through brokers but there was nothing to be gained and I ended up trimming the extra's off the policy we had (such as itemised contents) and increasing the excess.

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)? :

A lot of places won't insure above the 27th parallel, and if they do, they charge you for the privilege of doing so. Up here things like coverage for fences is fairly critical due to the storms and potential cyclones (we've yet to have a cyclonic impact in the 16 years we have lived here).

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 probably admit to not looking into the policy a whole lot. The finance company require that the house be covered for replacement value so have done that, and then you just have to hope you don't need to make a big claim on the contents side.

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?:

Of course you need them to be accommodating when you make a claim. Have only made one claim in the 10-odd years we've been insured which was easy and quick to do.

**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? :**

Not really. Annoys me that the policy creeps up each year at renewal, this year the premium has gone up by \$116.73 PER MONTH.

**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?:**

I try not to deal with insurance companies directly - I use a broker who (hopefully) weeds out all of that before the offer gets to me.

**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? :**

The wording is simple enough, but the policy wording document is VERY lengthy. I don't have time to read everything in that, and I guess that's what puts me off changing insurers is re-reading all that fine print again. The renewal didn't give an explanation for the increased cover. Last year when I called it appeared the increase was due to the extra amount they decided they would cover for building replacement - without even bothering to check. It would appear they've done the same recently but it was only when I went to answer this questionnaire that I realised how much the premiums had increased by.

**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 HATE looking for new insurers! Like everyone, we are time poor and I really hate going through the minefield of insurance with a passion.

**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 it for my car insurance, but not home/contents. I enquired last year with a broker regarding the home/contents and it was actually cheaper to stick with the company I was with, even though that is bordering on unaffordable at a premium of (now) \$8,122.20 per annum.

**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?:**

Yes, there probably is the information there, I just don't have the time to read the fine print. No, the insurer does not have an office anywhere near me. Sometimes internet access is slow/unavailable which doesn't help.

**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?:**

We are not strata units, they've each got their own title (only two units).

**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? :**

Tried all of the above, only for the quotes to come back at more than what I was currently paying. The broker even approached the same insurance company we were with and their quote came back at double the amount we were actually paying with the existing policy.

**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. bought an established property.

#### 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? :

We already have a few of the desirable security measures. [REDACTED] I don't know what that would save us on premiums but it would be a costly up front expense that we can't afford. Yes, we pay monthly. Not sure if we pay extra for that or not, but it beats getting an \$8,000 insurance bill once a year.

#### 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 see there are limited options - decrease the cover, increase the excess, or change insurers. I've tried all three. I've often thought people would be better off just renting rather than owning a property. Council rates are about \$2,400 a year, insurance is \$8,100, water & sewerage rates about another \$1,200. It's gotten to the point where the second income earner in the house has to work to keep the house "paid for" ..... and that's before the mortgage repayment!

#### 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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