

## Response ID ANON-DUXZ-422U-R

Submitted to Northern Australia Insurance Inquiry  
Submitted on 2017-11-25 21:03:33

## About you

What is your name?

Name:  
Peta Mott

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? :

We have resided here for 20 plus years and insurance is a huge cost in our budget. Over the past 10 years the premiums have increased dramatically. We use a broker to find the best cover for price but even so are still paying very high premiums.

We have opted for increased excess to bring down the overall cost but this means that claiming for anything under \$2000 is not possible.

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)? :

Insurance ranges in cost and cover greatly as for this reason we use a broker.

This year we had the following range of quotes for the same cover.

Insurer Premium Excess

VERO \$9,073.63 Building: \$5000 Contents: \$500

CGU \$7,122.92 \$5,000

QBE & Allianz \$15,000 + \$500+

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?:

We have confidence in the cover we take but also know the limitations.

I would be happy to separate the cyclone cover for the building from a general building cover and pay a \$10 000 + excess for cyclones.

We in the north west of WA have had the highest building requirements in the world and all buildings must meet Region D Category 2 cyclonic engineering design and as such the house owner is mitigating the risk. We are being penalised by the insurers with the high premiums. More damage is sustained in the south of the state during storms than the majority of cyclones.

#### 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?:**

This is another reason to use a broker as they are able to action any claim much easier than dealing with an insurance company direct.

#### 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? :**

All claims we have made have been processed quickly and without issue.

#### 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?:**

Yes we regularly need to change insurer as they no longer provide that policy.

#### 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? :**

We rely on our broker to obtain the best policy for value and then receive the product statement and policy.

##### 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?:**

No I have not heard about this website but have had a look and the information is good for new residents.

It would be good if we could increase our excess for the a specific event of either flood or cyclone and have another excess for normal insurance events.

Currently we opt not to claim on anything under \$5000 as our excess is \$2000.

##### 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 have used a broker for 20 years and will continue to do so.

##### 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?:**

Insurers generally do not have an office locally but are easily accessible by phone and internet

##### 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?:**

No Comment

##### 12. Have you seen examples of tools, technology or information in other industries that should be used to make insurance easier to understand?

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Yes health insurance seem to have good tools for comparing policies.

##### 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? :

We regularly switch insurers on advice from broker.

Focus is on cover for value not necessarily cost alone hence the reason to increase the excess.

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?:

In this area of Australia we have no choice but to meet the cyclonic requirements. This is an huge cost to new and renovation/additions.

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? :

Due to the high cost we need to pay monthly and this is at an extra cost again.

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?:

Mainly shopping around and maximising the excess.

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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We are intending to retire in the north west and insurance is one of the costs that will impact hugely on our budget.