

Response ID ANON-DUXZ-42BS-6

Submitted to Northern Australia Insurance Inquiry
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About you

What is your name?

Name:

[REDACTED]

I do not want my name to be published.

Do not publish my name

What is your email address?

Email:

[REDACTED]

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

Suburb/town::

[REDACTED]

Postcode::

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? :

I'm now basically retired and have a fixed income. The premium is vital and it keeps increasing. I moved here over 35 years ago and the cost of home insurance was not on my radar. And yes, the price has changed a great deal.

Total Strata insurance police for duplex in 2001: \$ 395.97 (cover \$231,000.00)

Total Strata insurance police for duplex in 2017 : \$1,982.71 (cover \$439,948.00)

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)? :

We appear to have no choice, we now go through a broker which, since the sale of T.I.O. is mandatory. And to get cyclone cover, we seem to have no choice, T.I.O. (Alliance) is it.

And yes, different insurers offer different cover.

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 are covered for:

1. Building : \$438,948
2. Legal liability: \$20,000,000
3. Emergency: \$131,948

4. Flood (sub limit) \$571,993

Deductible: all claims : \$500

Have never made a claim in 25 years of owing duplex

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?:

Reputation is important. The broker said that using them helps should a claim ever need to be made. I hope never to find out.

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? :

I'm aware of TV documentaries of how some insurance companies do their best to not honour claims. Sincerely hope I personally never have to go through any wrangling. I personally haven't ever made a claim of any significance.

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?:

When the insurance company folded. The car insurance one, years ago, that's the only reason.

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? :

No, they just send in the renewal notice. I specifically ask for a breakdown of the premium as I pay more than the other duplex as I had a studio and an addition veranda built on and I want to be sure that we only pay for what we want if at all possible.

This year I was able to get them to exclude 'common property' as it's only a few plants, and 'loss of rent' as neither of the duplexes has been rented out in many years.

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 looked in vain online. We appear to have little or no choice here in Darwin.

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 to use a broker. And no, no easier, I knew already that T.I.O. (Alliance) were going to be it.

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?:

And when our government, in it's wisdom, sold the T.I.O. to Alliance, we lost the office in town. Everything is online now. 'Visit', good heavens no! What an alien concept!

And though we are remote, NBN seems to be coping.

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, not much detailed information given out. I'm on the Body Corporate Committee, and have been for years. Insurance is just a necessary requirement dealt with quite quickly at the A.G.M. as once again, as far as I can tell, not much choice.

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, please show them to me.

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 cannot switch, there is no one to switch to.

It seems 'we are lucky to be able to insure'!

(My brother in Florida USA can no longer afford the premiums offered, amounts well into five figures. Like me, an ordinary citizen, worked all his life too).

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?:

I renovate or spend on maintenance annually and have for many years. I worked in the real estate industry here so am very aware of cyclonic risk. The duplex is to code, low set, I've replaced the fascia's for continued roof strength.

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? :

Last year I had six foot remote controlled gates installed at the road entrance, (my duplex is at the back, they aren't next to each other. I finally had this done as a local came right up past the other duplex, through the small gate and into my yard and stole my bike). I approached T.I.O. re my contents and car insurance re reducing the premiums but no, apparently makes no difference.

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?:

This question is very frustrating for me.

We have no choice.

I am considering doing another inventory and checking the contents insurance, I think I may be over-insured.

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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