

Peta Mott
Confidential

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ACCC Northern Australia Insurance Inquiry
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INTERIM REPORT – DRAFT RECOMMENDATIONS ON HOME AND CONTENTS INSURANCE ABOVE THE 26 PARALLEL

Below is the 2019 insurance premiums as quoted. This year has seen premiums quoted at \$10-12 000 for similar cover and this equates to over \$200 per week.

I do not understand how the insurance companies cannot take into account the mitigation we are made to take by designing the houses for the highest cyclonic region.

| Date | Company | Home Insured | Contents Insured | Premium | Excess Home | Ex Contents |
|----------|------------|---------------------------------|------------------|-------------|-------------|-------------|
| 24.09.18 | GIO | \$425,000.00 | \$80,000.00 | \$6,796.16 | \$2,000.00 | \$600.00 |
| 24.09.18 | Broker | \$450,000.00 | \$90,000.00 | \$5,689.09 | \$2,000.00 | \$500.00 |
| | Broker | \$450,000.00 | \$90,000.00 | \$5,195.96 | \$5,000.00 | \$500.00 |
| 28.09.18 | COMMinure | \$450,000.00 | \$90,000.00 | \$6,185.35 | \$2,000.00 | \$300.00 |
| 24.09.18 | RAC | Do not insure in this post code | | | | |
| 24.09.18 | Suncorp | \$450,000.00 | \$80,000.00 | \$10,050.89 | \$2,000.00 | \$500.00 |
| 24.09.18 | SGIO | \$459,000.00 | \$80,000.00 | \$7,563.95 | \$2,000.00 | \$500.00 |
| 24.09.18 | WoolWorths | Do not insure in this post code | | | | |

The ACCC Inquiry draft recommendations seems overall to be a band-aid measure and mainly governance and information requirements, which is much needed, but doesn't impact on the actual premium charged to any great degree.

Recommendations 1 and 2 – to abolish or re-base stamp duty will only save the individual whilst costing the taxpayer and the insurance companies continue to reap the high premiums.

The only other comment would be that the NW Australia already mitigate both individually and as a community with enforced building codes and Cyclone preparedness and we still have the highest premiums, up to 200% over the average \$4000 per annum.

An insurance mutual society could be a viable option for owner occupiers and small business if the government wants people to remain in the north.

Yours Faithfully



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