



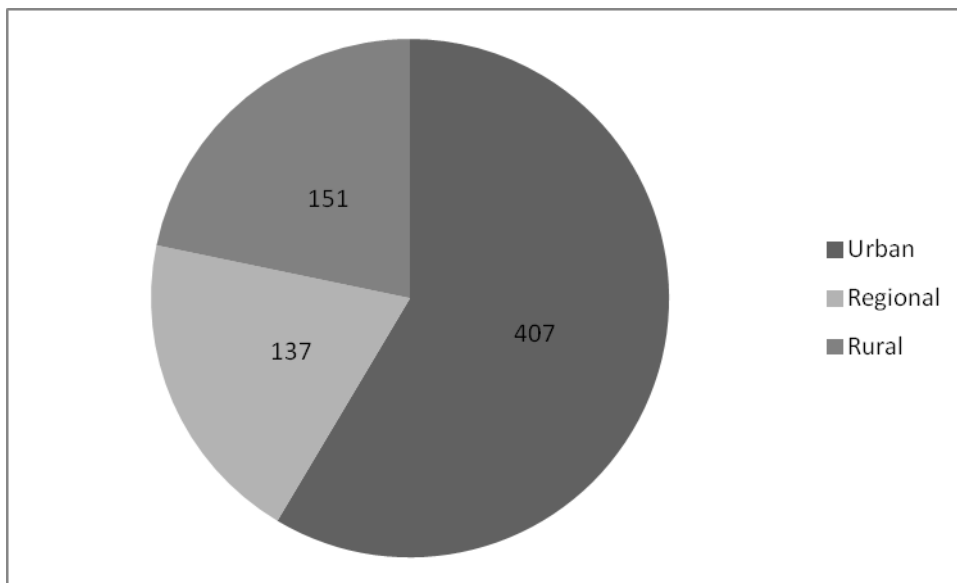
## Appendix D—Survey results

The Committee launched an online anonymous survey on the inquiry website at [http://www.aph.gov.au/house/committee/spla/insurance/online\\_survey/index.htm](http://www.aph.gov.au/house/committee/spla/insurance/online_survey/index.htm) in June 2011 to gauge community concerns about the operation of the insurance industry during disaster events. The survey provided an opportunity for members of the community to tell the Committee about their experiences of dealing with insurance companies in relation to disaster-related insurance claims in an anonymous manner. This was important as some people, especially after experiencing difficulties with insurers, were fearful that publicly criticising the handling of their claim might jeopardise their claim or dispute. The survey was closed in early January 2012.

The survey did not collect any data on gender, age or residence. Almost 700 respondents entered the survey, but all questions were optional so not all participants answered every question. The results below identify the number of respondents for each question. The Committee views the survey results as descriptive rather than statistically vigorous, and recognises that the findings do not represent a full and reliable picture of Australians' experiences with insurance companies. There was scope for respondents to make comments if they wished to do so, and a selection of these have been included in italics along with the results.

**Question 1***Do you live in an urban, regional or rural area?*

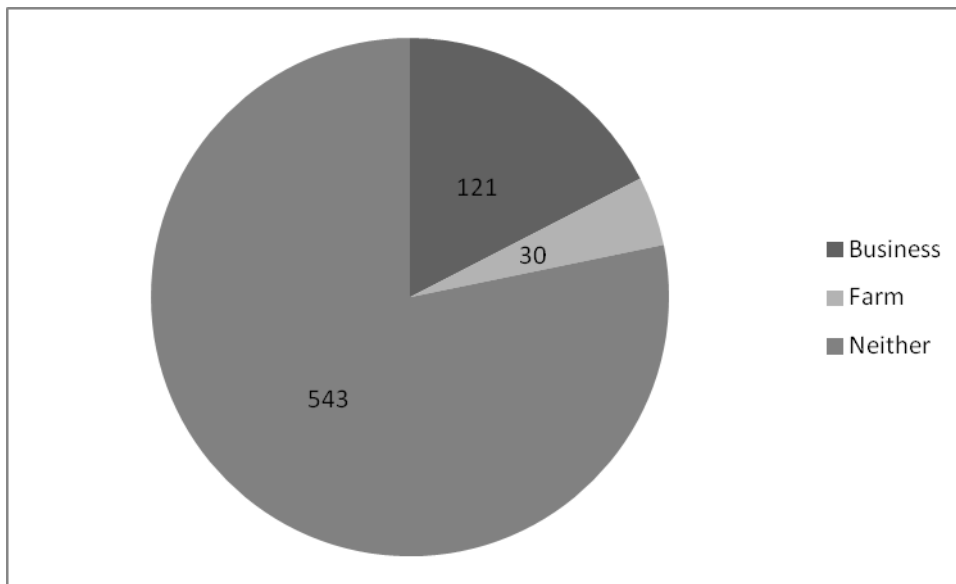
Urban	407	
Regional	137	
Rural	151	Total: 695



**Question 2**

*Are you operating a business or a farm?*

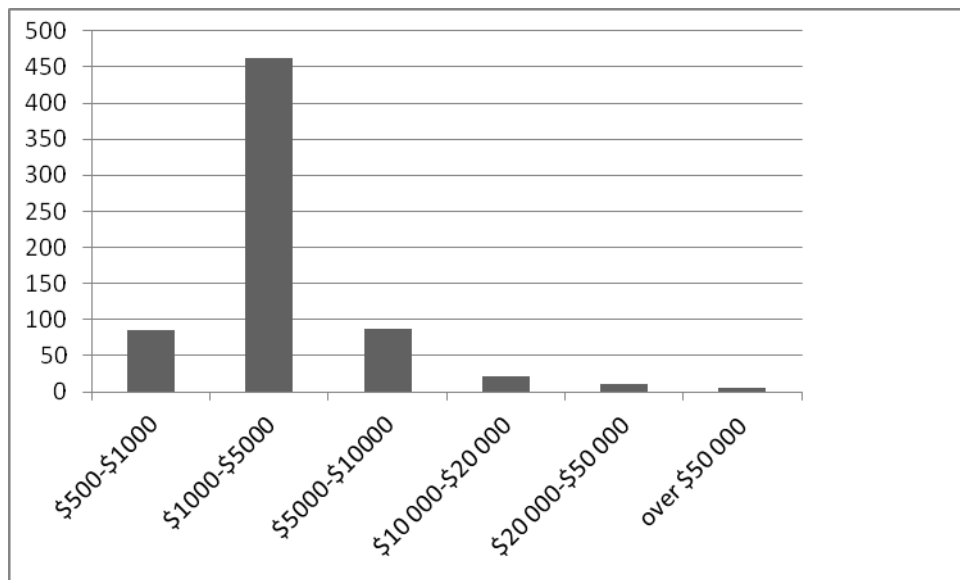
Yes – Business	121	
Yes – Farm	30	
No	543	Total: 694



**Question 3**

*Roughly how much do you spend on insurance premiums each year?*

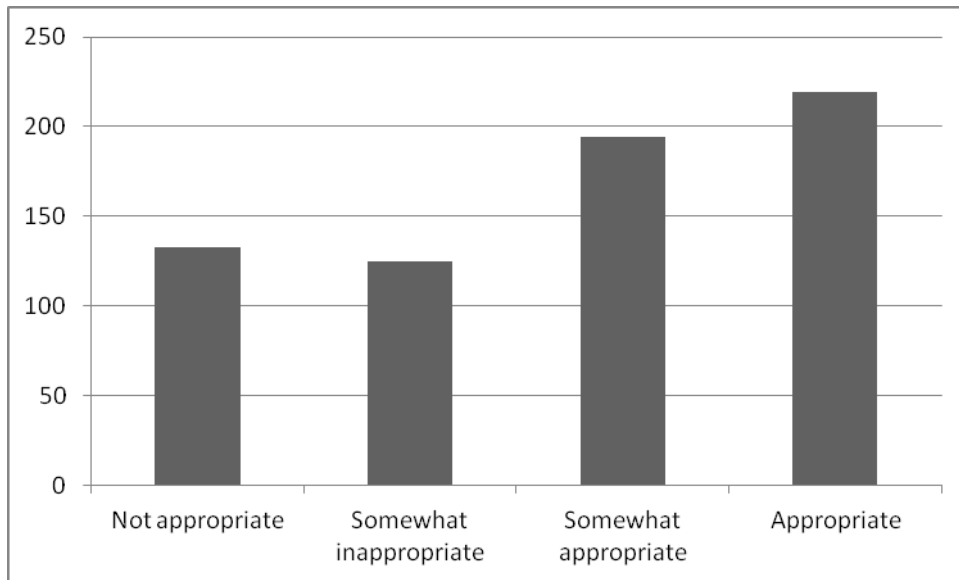
\$500-\$1000	85	
\$1000-\$5000	462	
\$5000-\$10000	88	
\$10 000-\$20 000	21	
\$20 000-\$50 000	10	
over \$50 000	5	Total: 671



**Question 4**

*Do you consider that you have appropriate insurance policies available to you?*

Not appropriate	133	
Somewhat inappropriate	125	
Somewhat appropriate	194	
Appropriate	219	Total: 671



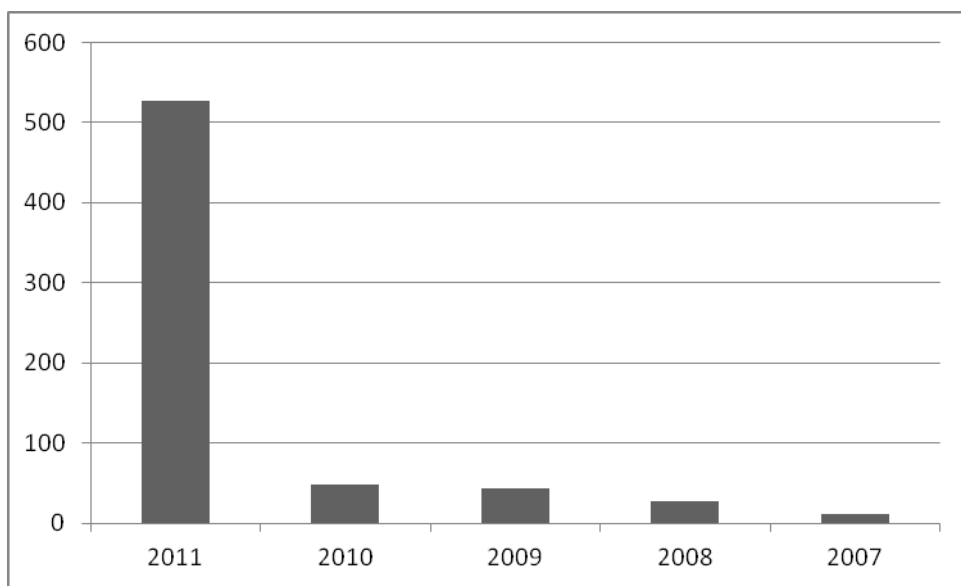
*I thought we were reasonably well insured. What I discovered is that we really had no idea of the costs of a total loss. I thought our home building insurance had an inflated safety margin but really it fell far short.*

*Queensland and Brisbane in particular is built on a flood plain. How can Insurers remove 'flood insurance' from cover where it is more than likely that in time an event will occur.*

**Question 5**

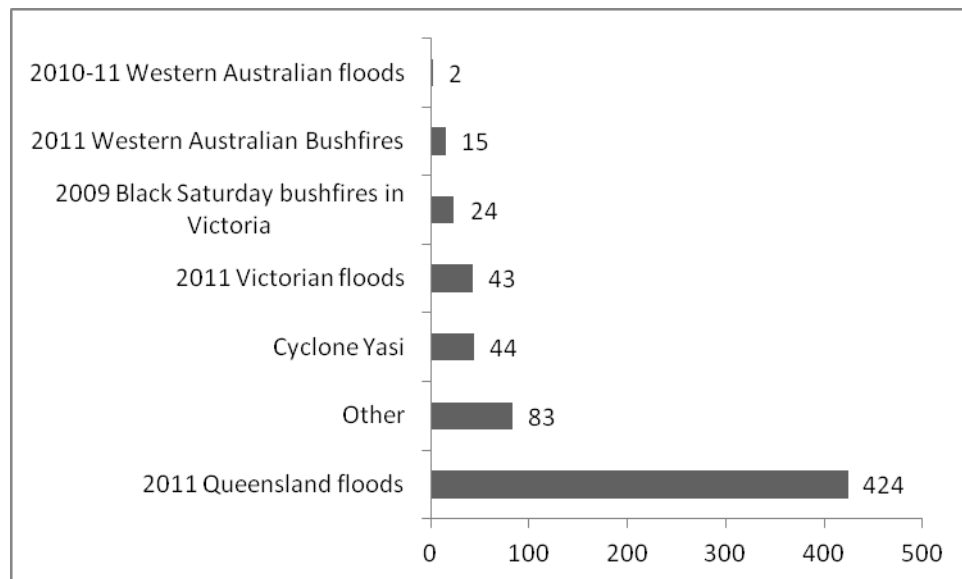
*What year did you make your most significant claim against your insurance policies?*

2011	527	
2010	48	
2009	43	
2008	28	
2007	11	Total: 657



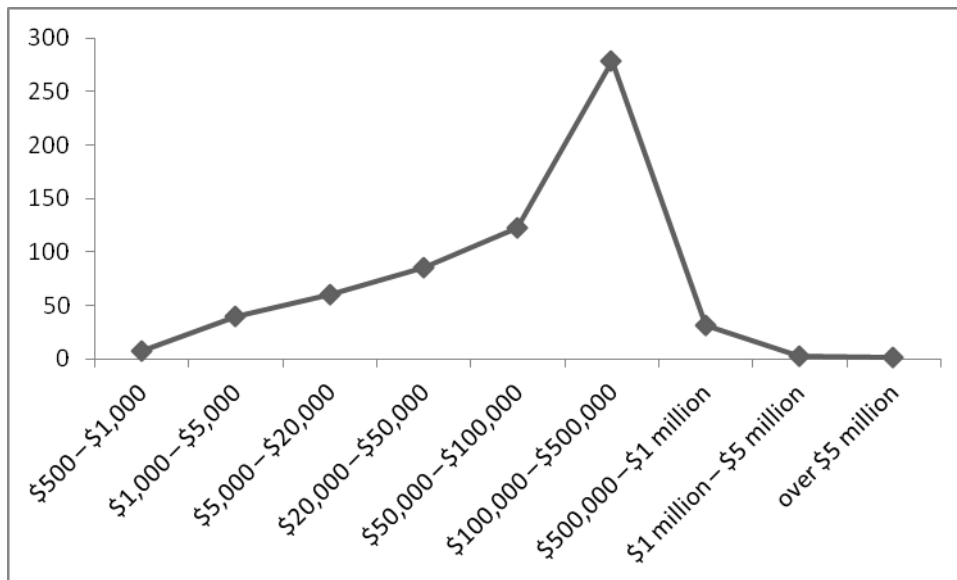
**Question 6***What event was the claim related to?*

2011 Queensland floods	424	
2011 Western Australian Bushfires	15	
Cyclone Yasi	44	
2011 Victorian floods	43	
2009 Black Saturday bushfires in Victoria	24	
Other	83	Total: 635



**Question 7***What was the financial scale of your claim?*

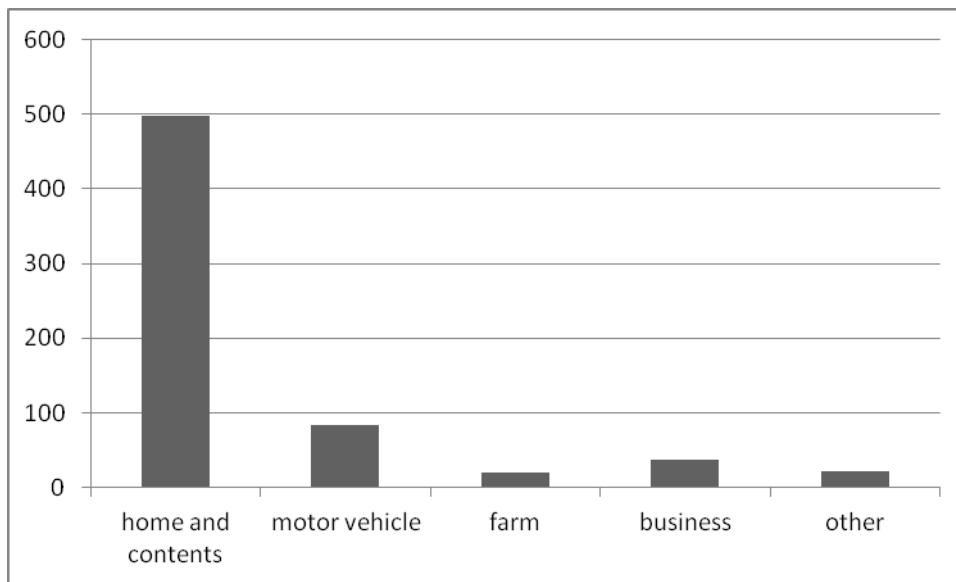
\$500 – \$1,000	7	
\$1,000 – \$5,000	40	
\$5,000 – \$20,000	60	
\$20,000 – \$50,000	85	
\$50,000 – \$100,000	122	
\$100,000 – \$500,000	278	
\$500,000 – \$1 million	31	
\$1 million – \$5 million	2	
over \$5 million	1	Total: 626





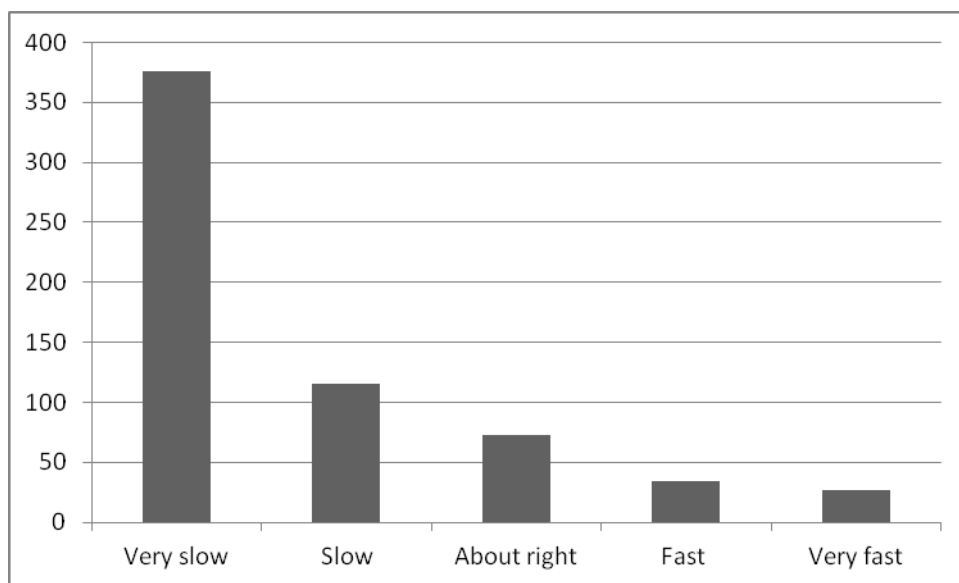
**Question 8***Which type of insurance was the claim related to?*

home and contents	497	
motor vehicle	83	
farm	20	
business	38	
other	22	Total: 660



**Question 9***How quickly was the claim settled?*

Very slow	376	
Slow	115	
About right	73	
Fast	34	
Very fast	27	Total: 625



*Claim accepted immediately (lodged by phone), \$5000 advanced on contents insurance (available in bank account next day), case manager assigned.*

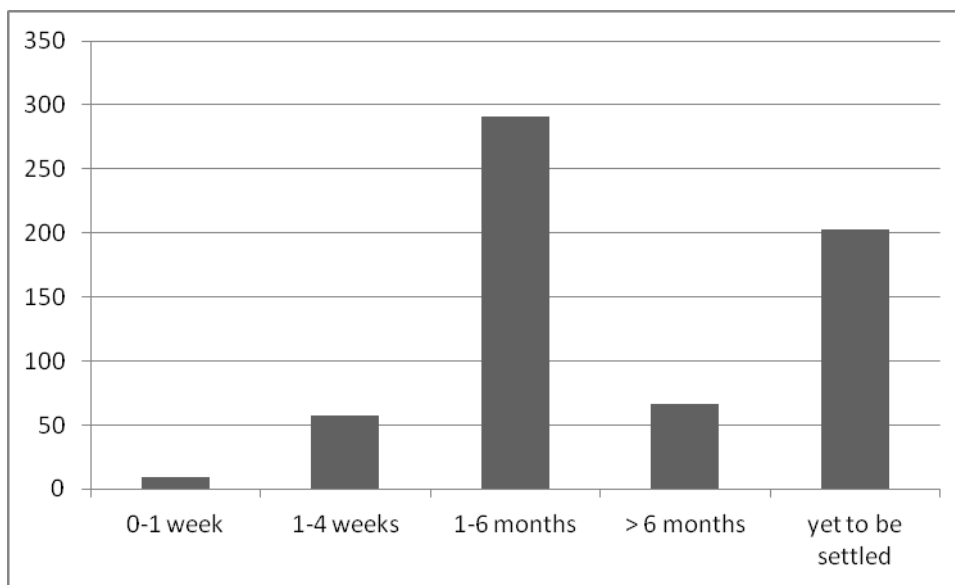
*The Insurance system needs to be far more streamlined and user friendly to enable a quick response to a crisis situation.*

*Very good considering the pressure insurers are under. Expected it to take a lot longer.*

**Question 10**

*How long did it take for the insurance company to settle the claim?*

0-1 week	9	
1-4 weeks	57	
1-6 months	291	
> 6 months	66	
yet to be settled	203	Total: 626



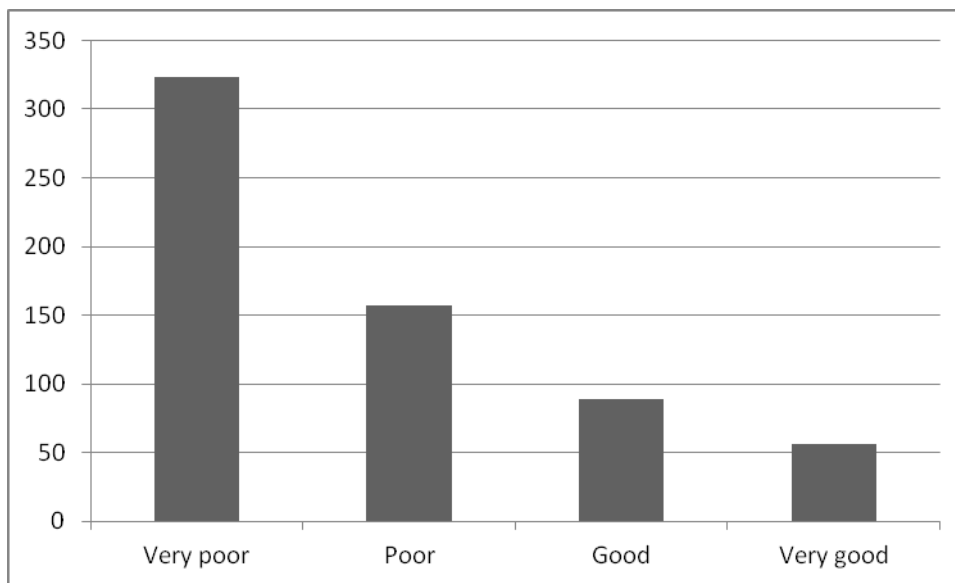
*The insurance company has not communicated with either the broker nor the client (us) as to when the Business Interruption claim will even be looked at and there is no clause in the policy that gives them a deadline. The whole reason for BI insurance is to help your business week by week during a period of non-operation – seven months later is really unacceptable to find out whether your claim has been successful or denied.*

*Each time we speak with our 'case manager' we are told we will hear from them within the next couple of days. This does not happen. We have to continually contact them to prompt further action. Six months after the events and we are still waiting for something to happen!*

**Question 11**

*What was the level of service provided to you by your insurance company during this claims process?*

Very poor	323	
Poor	157	
Good	89	
Very good	56	Total: 625



*Perhaps some companies should not be selling insurance when they cannot provide the service to us in a manner for what we are paying.*

*Insurance company delayed payout as much as possible. I had to fight them. I feel sorry for people that can't dispute and question like the elderly who would passively just trust these large organisations.*

*Any thought that I might have had that the insurer (or probably the insurance industry) would have acted 'in good faith' however is long since out the window.*

*Overall, it has been a very distressing experience. I felt as if I was no longer their 'customer' but a problem to be dealt with.*

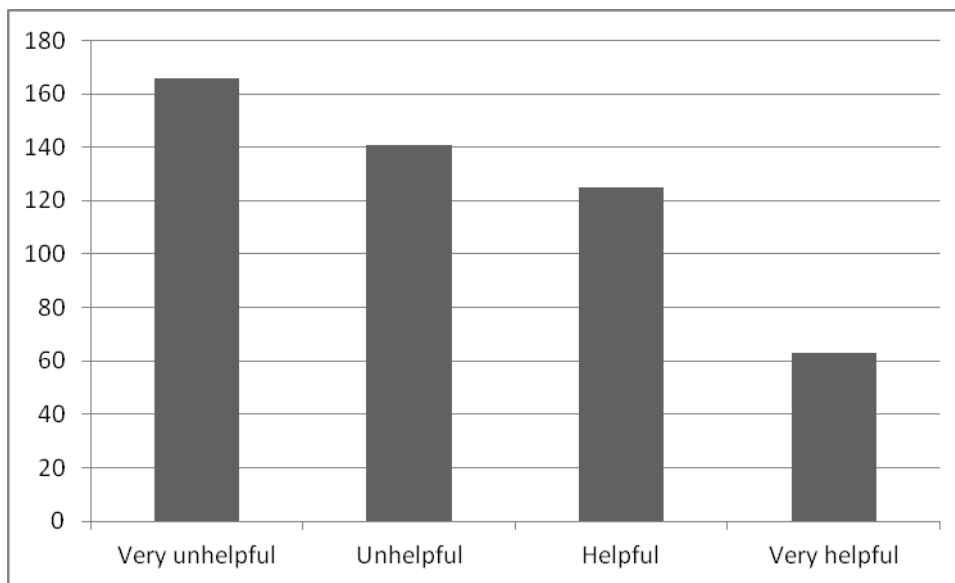
*I have only had one phone call from my insurance co. in 10 months.*

*We have had no correspondence from the actual insurance company including how long before our claim is considered.*

*Have to nag for any info. Only given info when I phone. No written contact whatsoever. Advised will get in writing when settled.*

**Question 12***How helpful were the insurance claim assessors?*

Very unhelpful	166	
Unhelpful	141	
Helpful	125	
Very helpful	63	Total: 495



*The company chose the cheapest (because incomplete) assessment. The builders they employed were extremely substandard and most of the work had to be redone.*

*It is not right that some people because they have an unsympathetic assessor are entitled to less than another client.*

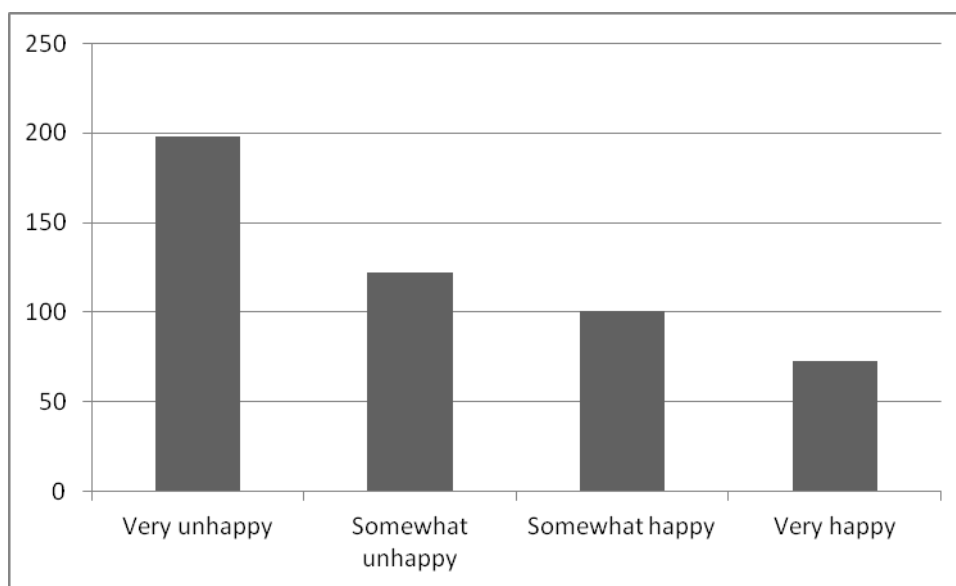
*We were assigned two assessors by mistake and they both provided different information regarding the claim.*

*The service from the actual insurance company was good, but they outsourced the claims assessment to another company, whose service was particularly poor.*

**Question 13**

*Were you happy with the way the claim assessor/s communicated with you?*

Very unhappy	198	
Somewhat unhappy	122	
Somewhat happy	101	
Very happy	73	Total: 494



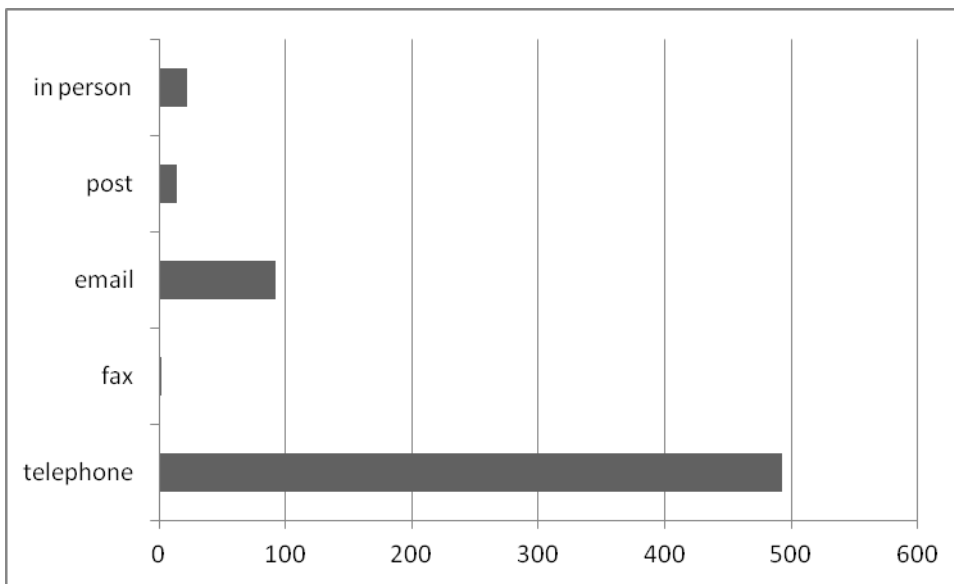
*Was an American man who had been sent out to Australia. He was at our home for no more than 10 minutes to decline our claim and made the comment as he walked out the door 'you Aussies will bounce back'.*

*All staff involved in such processes (whether insurance company employees or subcontractors) need an appropriate level of skills in working with people who have been through a very traumatic experience. They only added to my grief in such unnecessary ways.*

**Question 14**

*What was your primary method of communicating with your insurer?*

telephone	493	
fax	2	
email	92	
post	14	
in person	22	Total: 623



*Long initial process over the phone to obtain initial claim number (four hours).*

*They insist that all claims are done via a phone. You are on hold for hours and I mean hours. Plus a lot of people had no access to a phone, internet etc.*

*I had to ring them on a mobile = expensive, long waits, often couldn't get through.*

*I tried via email but I was told three different email addresses by their staff, it was a bloody shambles.*

*They never contacted us. It was always us chasing them even up until the end with a decline.*

*Staff helpful and communicated regularly plus followed up after work completed to ensure I was happy with the quality.*

**Question 15**

*If a third-party expert or consultant was involved in your claim, did they help resolve the claim in a timely manner?*

Yes	93	
No	233	Total: 326

*Our assessor was ineffective and unconcerned by our claim and in the end appeared to be a large part in the delays.*

*Still waiting for an accurate and complete scope of works, including Engineer's Report.*

*Insurance company appoints assessing company, dealing with company in an entirely different State. Six months on since disaster date - still waiting for engineers report (approx. 10 weeks has lapsed since engineer arrived).*

*Dodgy repairers (cowboys) were sent to repair our home. We have had ongoing roof problems and still waiting for our pergola to be fixed (again for the 5th time).*

*27 weeks and still awaiting a structural engineers report, no scope of works.*

**Question 16**

*Did you encounter any difficulties or delays in getting the third-party experts to assess your claim?*

Yes	205	
No	119	Total: 324

*Dealing with their builder who seems to operate independently of the insurance company is another matter entirely, and an issue that should be looked in to.*

*The insurance company took more than twenty (20!) visits to our home, each requiring one of us to take a day off work, over a period of almost a year.*

*Sent unaccompanied builders to assess, one was inexperienced, the other was intimidating, denigrated our home builder, minimised repairs, raised his voice, made inappropriate comments re neighbouring homes lost in the fire.*

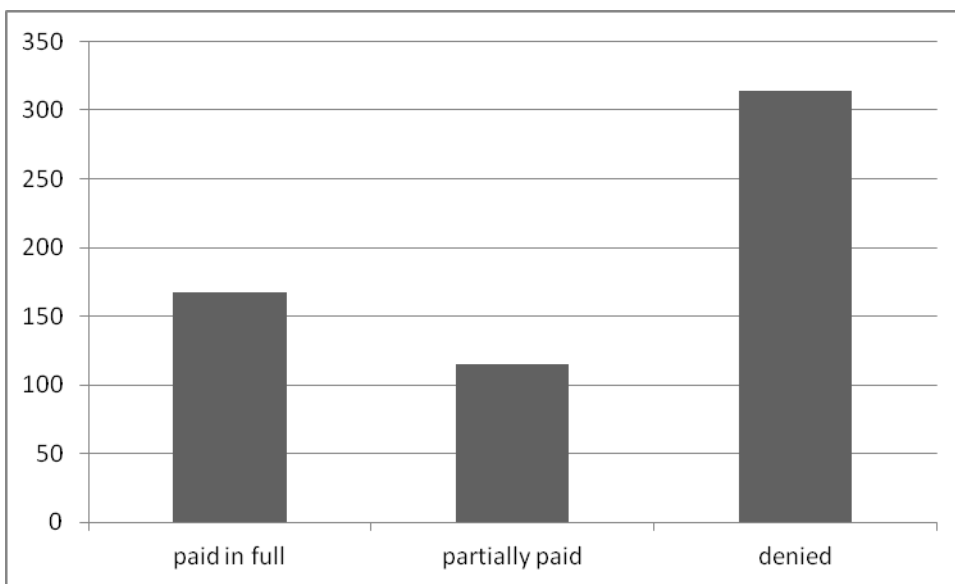
*Flown in from Malaya and not familiar with local building products.*

*He came from Newcastle and did not know the lay of the land.*

*Terms like 'Wayne Tank' and 'legal professional privilege' were used to stall and deny my claim. The Wayne Tank was the most concerning as it's a court precedent yet not detailed at all in any PDS.*



<b>Question 17</b>		
<i>What was the outcome of your claim?</i>		
Paid in full	167	
Partially paid	115	
Denied	314	Total: 596



*We opted for a payout as we are unsure how to rebuild. The information and process around this has not been made clear and we now discover the bank can prevent this course of action. Very frustrating.*

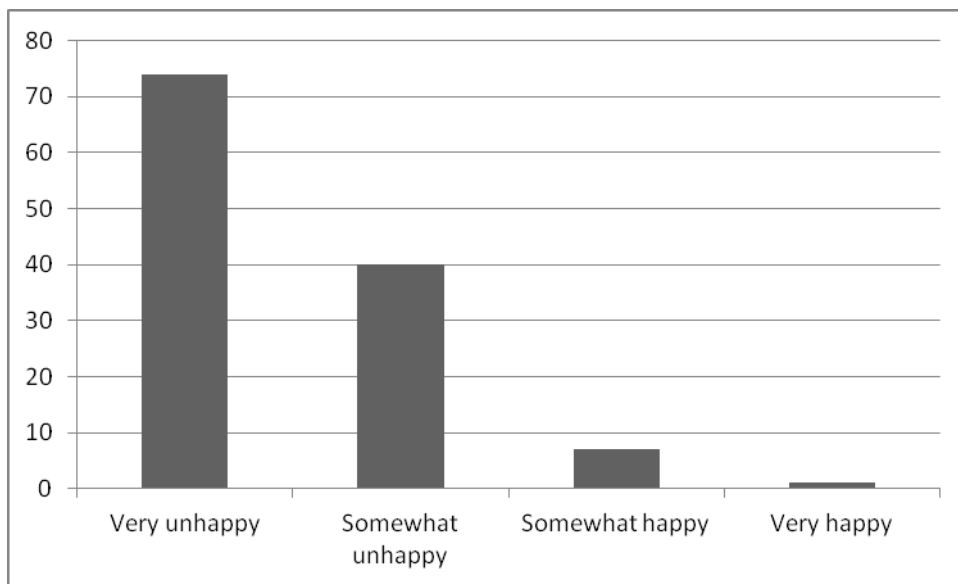
*There is no place for those with issues to go that can actually get a result from the insurance companies they are a law unto themselves and will take whatever time they want – they will assess what they want and you are left with no choice but to accept the rubbish they offer or wait for years to fight them (advice from legal aid).*

*We work, have two children at school and have undertaken all the repairs ourselves. We just didn't have the time to pursue the insurance as well. It's been a tough time.*

**Question 18**

*If you entered into internal dispute resolution, were you happy with the way the company communicated with you?*

Very unhappy	74	
Somewhat unhappy	40	
Somewhat happy	7	
Very happy	1	Total: 122



*Very condescending. Told us that we were 'welcome to object to the decision but the matter will take a long time'.*

*Still not sure if [dispute resolution] is actually underway!!!!!!!!!!*

*When it went to internal review, they were rude and abrupt, I did not abuse threaten or insult anyone, and deserved to be treated better by the insurance people.*

*The insurance company's internal processes have been sloppy.*

**Question 19**

*If you entered into internal dispute resolution, was it undertaken in a timely way?*

Yes	37	
No	74	Total: 111

*Insurance company replied that it would take a month to respond on the dispute resolution. It took two months after I sent a reminder.*

*Quite surprised as it took them less than five days to uphold their previous decision – which I believe was not enough time to have done a full proper secondary assessment.*

**Question 20**

*Were you aware that there are free legal services available to provide you with advice about your claim?*

Yes	449	
No	173	Total: 622

*Have just found Legal Aid – very helpful and wish I'd known sooner.*

**Question 21**

*Do you feel that you fully understood what you were entitled to claim when you signed your insurance policy?*

Yes	242	
No	361	Total: 603

**Question 22**

*Were you given accurate and useful information by your insurance company about your right to make a claim?*

Yes	239	
No	366	Total: 605

**Question 23**

*Were you given accurate and useful information by your insurance company about the claims process?*

Yes	220	
No	383	Total: 603

*I rang AAMI, received a claim #, was told someone would be in contact in a few days, after three weeks rang and was told they knew nothing of claim. A further three weeks no call back after being again promised 'in a few days ... had to ring again.*

*Explanation of process not clear: how to claim and your options.*

*It took four months for my insurer to contact me after I lodged a claim. Ringing to enquire as to the progress of my claim has taken over 30 mins on hold!*

*No correspondence was received for months. Not even to acknowledge that our claim was accepted.*

*Totally ignored any requests for information.*

**Question 24**

*Were you given accurate and useful information by your insurance company about your right to external dispute resolution?*

Yes	202	
No	339	Total: 541

**Question 25**

*Did you, or do you intend to, change insurance companies as a result of your claims experience?*

Yes	429	
No	172	Total: 601