

11 January 2012

Inquiry into Residential Strata Title Insurance

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TO WHOM IT MAY CONCERN

I am writing to express my extreme concern, as the owner of two strata title units in Cairns, in regards to the massive and unjustified insurance hikes we have been forced to accept.

My premiums have increased by 300%, making my position as a property investor/landlord virtually untenable.

We have no choice of insurer: we have no option other than to pay this massive imposition.

In point, your terms of reference states the enquiry determine :

(H) whether consumer awareness of different insurance options should be enhanced.

We only have one insurer that will offer the insurance over one of the buildings - we have no option! So please don't let this enquiry recommend that the government pays for a costly advertising campaign 'educating' us re our options when in some cases there are none.

And this point above is not the aspect of my submission to focus on - this is:

The insurance companies, like any business, are entitled to operate at a reasonable profit. They are being unreasonable.

Perhaps consider some other aspects of the insurance/risk offensive: why not, for example, could we not be offered the option of paying a higher excess to reduce our annual premiums?

I for one would be prepared to take the risk and pay a higher excess in exchange for a lower premium. But no one has offered this choice.

Yours faithfully

Mia Lacy

