

Observation-15: How to Complain about NQ Strata Insurance

If a lot owner is unhappy with their Strata insurance they should complain formally. (4 steps)

1. Write an email to your Broker (or Insurer) with premium tax invoice attached.

Dear Broker,

Please see our attached insurance policy, can you please explain “why has our strata insurance pricing increased over the past decade and the risks have not”?

*We believe we are being treated unfavourably when compared to the 340,000 Strata Insurances for the rest of Australia (ROA). The ACCC Northern Australia Insurance Inquiry 2020 reported, since 2007 the ROA average strata insurance average “**affordability insurance factor**” AIF=1.0 which equates simply to the \$ gross premium tax invoice amount is precisely 1000th of the actual Building Insured Valuation (BIV), x 1000.*

*For our NQ building, our gross insured premium¹ is ~~\$48,000~~² for our BIV of ~~\$8.6 million~~. Our AIF = $(\frac{\$48,000}{\$8,600,000}) \times 1000 = 5.58$. Which tells us we are paying 5.58 times the ROA average strata premium and 5.58 time more in GST, Duties and commissions for the “**materially**” same building that would exist in ROA. Why such a difference? Please explain in writing why you cannot deliver our body corporate the national affordable ROA AIF of 1.0 ?*

*Your concerned
Lot owner xyz.*

2. Send email letter and invoice copy to BCCM Commissioner to notify them to monitor the unfair strata insurance occurrence. (email:- bccm@justice.qld.gov.au)
3. Send email copy to your local Politician to highlight the affordability pain and to dispute the NQ discriminatory natural disaster misinformation campaigns that portray NQ is a bad place to insure.
4. Register an online copy with the Australian Financial Complaints Authority (AFCA), who is the official Insurance complaints compiler in this country. They need real online registered complaints to activate market abuse investigations, ie if enough persons complain!



¹ Includes everything on the Insurance tax invoice, ie GST, Stamp Duty, fees etc. The gross amount on the tax invoice the body corporate must pay in full to activate the insurance.

² **Insert your own** specific building valuation, or sum insured and tax invoice numbers and multiply out.