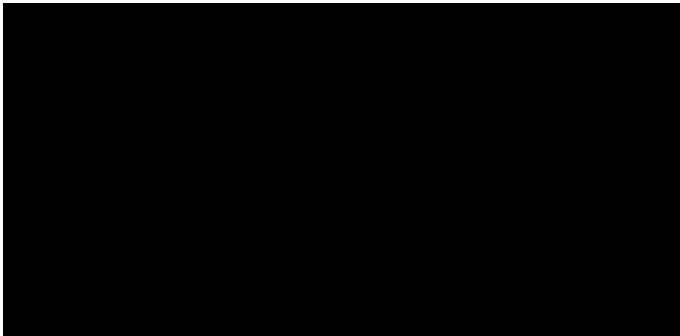


1 August 2023



Official Information Act #23.007 – Response

1. We refer to your request received on 6 July 2023 for information about the insurance industry. You would like to know if the Commerce Commission (the Commission) has received any queries or complaints regarding increases in the industry, similar to what you have seen.
2. We have treated this as a request for information under the Official Information Act 1982 (OIA).

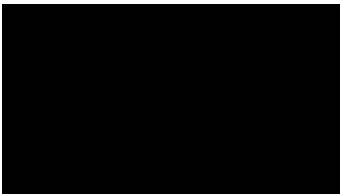
Our response

3. The Commission has received 10 complaints or enquiries about increases to insurance premiums¹ in the period of 1 January 2023 to 6 July 2023. Summaries of these complaints and the outcomes is set out in **Appendix A** below.
4. All complaints received by the Commission are entered into our complaint database and assessed by our Screening and Analysis Team on the basis of the information available at that time. When conducting this assessment, the Screening and Analysis Team considers:
 - 4.1 the likelihood of a breach of the relevant legislation (the Fair Trading Act 1986, Credit Contracts and Consumer Finance 2003, and the Commerce Act 1986);

¹ Please note that this does not include complaints or enquiries about high premium prices in general or when comparing premiums to other plans or insurers.

- 4.2 the Commission's Enforcement Response Guidelines,² and;
- 4.3 the Commission's strategic priorities and resourcing constraints.
5. The Commission has the power to act on complaints but is not required to take action in relation to all possible breaches of the legislation that we enforce.
 6. If a complaint is appropriate for further consideration, it is reviewed by a panel of managers and subject matter experts from within the Competition, Fair Trading and Credit Branches. The panel decides which complaints are to be prioritised for further assessment by the Branch with reference to our Enforcement Response Model.³
 7. This process enables us to identify complaints that best reflect our current enforcement priorities.⁴ The outcomes of the process are not final and we may revisit any complaint at a later stage, should we wish to reconsider the issues it presents.
 8. Please note the Commission will be publishing this response to your request on its website.⁵ Your personal details will be redacted from the published response.
 9. Please do not hesitate to contact us at oia@comcom.govt.nz if you have any questions about this response.

Yours sincerely



OIA and Information Coordinator

² Available at: <http://www.comcom.govt.nz/the-commission/commission-policies/enforcement-response-guidelines/>

³ Our Enforcement Response Model is discussed in more detail from page 3 of the Commission's Enforcement Response Guidelines, available here: https://comcom.govt.nz/_data/assets/pdf_file/0030/62589/Enforcement-Response-Guidelines-October-2013.pdf.

⁴ For further information, see: <http://www.comcom.govt.nz/the-commission/commission-policies/enforcement-criteria/>

⁵ <https://comcom.govt.nz/about-us/requesting-official-information/oia-register>

Appendix A			
Enquiry number	Date received	Complaint	Outcome
ENQ0573596	5/1/2023	Complainant is concerned their house and contents insurance premium has increased approximately 43%. Complainant was told by trader that the price increase is due to the business losing revenue and other costs have increased. Complaint referred to Insurance and Financial Services Ombudsman (IFSO).	No Further Action (NFA) ⁶
ENQ0577829	11/04/2023	Complainant alleges insurance premium increased by 102%.	NFA
ENQ0578271	19/04/2023	Complainant is concerned as their house insurance premium increased from \$972.87 to \$1412.96. Concerned that this is illegal.	NFA
ENQ0579056	9/05/2023	Complainant concerned as household contents insurance is to increase by approximately 40%. They have made very few claims and do not live in any of the disaster regions.	NFA
ENQ0579404	17/05/2023	Complainant is concerned as their vehicle insurance premiums increased from \$18 to \$29 per fortnight. Complainant has been in contact with the trader to get a breakdown of the policy. Complainant did not get a response from trader as to the exact amounts, only provided with approximates.	NFA
ENQ0579752	25/05/2023	Complainant owns a building that is earthquake prone and has been paying higher insurance premiums for more than 10 years. Complainant	NFA

⁶ The Commission may decide not to take further action in relation to a complaint for a number of reasons. These reasons include, but are not limited to, circumstances where we consider the complaint is better suited to private action by the complainant, the complaint is subject to the jurisdiction of another agency, or where there is no clear breach of the law. However, each complaint and enquiry provides information that is valuable to the Commission. This contributes to future priorities, potential issues for us to watch closely or emerging issues to refer to our policy agency, MBIE. In this regard, we will monitor complaints on information we receive as we look to future prioritisation.

		has undertaken earthquake strengthening, yet premiums have still increased by 18%. Complainant is concerned no competition in the industry.	
ENQ0580033	1/06/2023	Complainant is concerned that their insurance premium has increased by \$65 per month.	NFA
ENQ0580557	7/06/2023	Complainant's car insurance has increased by \$119. Complainant is concerned the increase was not very transparent as it was not clear in the letter received or body of the email.	NFA
ENQ0580767	20/06/2023	Complainant is concerned life insurance is not sustainable the older you get. The ever-increasing premiums lead holders to cancel their policy before pay out time.	NFA
ENQ0581457	6/07/2023	Complainant is concerned as their house contents insurance has increased by 42.8%.	NFA