

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS

INSURANCE SECTOR

Insurance Council of Australia

ICA05QON: How many would involve historical complaints, which therefore might be self-reported and would mean that there would be a reduction, versus the number that are over a financial year and therefore may continue to either rise or stay stagnant?

Mr Whelan: I don't have the information on the longevity of some of these breaches. Some of them will be complex in nature due to system failures or something along those lines. I don't have that information, but I'm happy to take that on notice if necessary.

[Proof Hansard, 3 June 2020, Insurance sector, p. 11.]

Answer:

The General Insurance Code of Practice (the Code) provides that the Code Governance Committee (CGC) will prepare annual public reports containing aggregate industry data and consolidated analysis on Code compliance. The data for the report covers a 12 month period that starts 1 July and ends 30 June (the Australian Financial Year). The Insurance Council understands data collected by the CGC includes breaches identified and recorded in that period. The *CGC Annual Report: General insurance in Australia - 2018–19 and current insights* (April 2020) sets out that unless otherwise stated, all references to breaches and significant breaches means closed breaches or significant breaches (page 50). Significant breaches must be reported within 10 business days. The Insurance Council does not receive breach reports. The CGC is best placed to provide information on the longevity of breaches reported.