

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
INSURANCE SECTOR**

AIG Australia

AIG05QW: For home and contents claims relating to the 2019-20 bushfire disasters, please provide:

- (a) the average length of time between registering a claim and payout;
- (b) the most common length of time between registering a claim and payout;
and
- (c) the average percentage, across these bushfire claim pay outs, of the value of these bushfire related pay outs as a percentage of the insured value of the policy.

Answer:

- (a) The average length of time was 99 days.
- (b) The equal most common lengths of time were 8, 71, 83, 105, 109, 114 and 164 days, with two claims in each case.
- (c) The average percentage was 29%.

The answers above are based on claims that have been paid out and closed and with individual home claims and contents claims counted separately.

AIG Australia has received a relatively small number of bushfire home and contents related claims, with 65 individual claims paid and closed to the time of this answer. The common lengths of time between registration and pay outs are generally longer for bushfire related claims due to the nature of the claims and delays in access to the fire affected zones.