

Insurance Contracts Amendment Bill 2013

Introduced into the House of Representatives on 14 March 2013

Portfolio: Treasury

1.33 This bill seeks to amend the *Insurance Contracts Act 1984* with the purpose of streamlining requirements and addressing anomalies in the regulatory framework of insurance contracts. In particular, the key features of the bill are measures to:

- Remove impediments to the use of electronic communication for statutory notices and documents;
- make the duty of disclosure easier for consumers to understand and comply with, especially at renewal of household/domestic insurance contracts;
- make the remedies in respect of life insurance contracts more flexible;
- clarify the rights and obligations of persons named in contracts as having the benefit of cover, but who are not parties themselves; and
- clarify what types of contracts are exempt from its operation

1.34 This bill follows on from a review of the *Insurance Contracts Act 1984* that was released in 2004¹⁰ which recommended some changes to the operation of the Act, extensive consultation with industry and consumer groups and the introduction of the Insurance Contracts Amendment Bill 2010 which lapsed due to the calling of the 2010 federal election.

Compatibility with human rights

1.35 The bill is accompanied by a self-contained statement of compatibility that states that the bill 'does not engage any of the applicable rights or freedoms' and is therefore compatible with human rights.

1.36 The bill, in setting out requirements relating to the disclosure of certain matters to insurance companies, may engage the right to privacy under article 17 of the International Covenant on Civil and Political Rights (ICCPR). Article 17 of the ICCPR provides that no one 'shall be subjected to arbitrary or unlawful interference with his privacy, family, home or correspondence'.

1.37 As this bill regulates the disclosure, or non-disclosure, of information made under private contracts to which people voluntarily enter into and accept the terms and conditions on entering into the contract, it does not appear that the disclosure requirements would arbitrarily interfere with the right to privacy.

10 See the Review of the Insurance Contracts Act 1984 (Cth): Final report, Alan Cameron AM and Nancy Milne, 2004.

1.38 The committee considers that the bill does not give rise to issues of incompatibility with human rights.