

**Senate Economics Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
**Treasury Portfolio**  
Additional Estimates  
2014 - 2015

**Department/Agency: Treasury**

**Question: AET 50**

**Topic: Insurance Brokers, ASIC and APRA**

**Reference: Hansard page no. 19 - 26 February 2015**

**Senator: Dastyari, Sam**

**Question:**

50. Senator DASTYARI: You understand, Ms Quinn, that that is the whole concern. The whole concern is that you are allowing insurers into the market that are not governed by APRA and yet you are saying that you have not spoken to APRA about what consequence that would have on the authorised insurance market.

Ms Quinn: No—we certainly have talked to APRA through this period.

Senator DASTYARI: You have?

Ms Quinn: Yes, we have talked to both to APRA and ASIC.

Senator DASTYARI: You have consulted with both APRA and ASIC?

Ms Quinn: Yes.

Senator DASTYARI: But ASIC are the regulators?

Ms Quinn: Yes.

Senator DASTYARI: You may have this information with you, but: when? Has there been a formal meeting about this? Have there been informal conversations? Has there been both?

Ms Quinn: It has mostly been through emails and discussion in phone conversations. I can take that on notice.

Senator DASTYARI: Can you take the question on notice? The question is: what types of communication have there been? Has there been a formal, proper consultation process? At this point are the regulations with government, or they are still being drafted?

Ms Quinn: I will have to double-check exactly where they are at the moment. The usual process is that regulations are provided for consultation. Once they have been drafted, there is the consultation process—different types of consultation processes which the government decides on at different times. That formal consultation, after final drafting of the draft regulations, has not occurred yet because the draft regulations are not in the public domain. We have not got to that formal stage yet. There have been informal discussions that you have with the drafters; for example, as to how they interact with existing legislation, how they interact with different market conditions. In that process the usual course of events is that we

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

2014 - 2015

consult with our regulators. Most of the regulations they have to implement or they have implications for other acts that they operate under.

**Answer:**

50. Treasury consulted publicly on measures to address insurance affordability in North Queensland through a discussion paper which was released on 9 May 2014. Treasury received written submissions from a wide range of stakeholders.

During the consultation period, Treasury also received communication from both APRA and ASIC. Subsequent phone conversations were held with APRA on the proposal in the discussion paper. APRA have further been informed of progress on the measure after the Government's announcement on 23 October 2014. ASIC have also been consulted on implementing the proposed amendments and will be provided a chance to comment on the draft regulation before it is publicly released for consultation.

An initial draft has been completed, but no decision on the final draft for consultation has been made by the Government.