

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2015 - 2016

Department/Agency: Treasury

Question: AET 58

Topic: North Queensland insurance levels data

Reference: Hansard page no. 95 - 10 February 2016

Senator: McLucas, Jan

Question:

Senator McLUCAS: Let me ask the question in a different way. The task force has reported levels of non-insurance lower than what we believe is the case in North Queensland, in a relative sense, but in terms of underinsurance they come to a view that it is hard to identify levels of underinsurance. The general view in the community is that we are terribly underinsured or terribly non-insured. The task force interim report does not support that view. So my question to Treasury is: what have you done to come to your own view about the level of insurance in North Queensland, if anything?

Ms Quinn: As you know, data is data. The data you are referring to, on table 2 on page 17 of the interim report, is the official Australian Bureau of Statistics data looking at the share of owner-occupied households with no weekly expenditure on insurance. The evaluation of that, as you said, is that Northern Queensland has 8.1 per cent with no weekly expenditure, compared to other regions like New South Wales, where it is 14.6 per cent. That is a subset of total households. It is owner-occupied households, as opposed to renters and all the rest. So that piece of data does suggest that Northern Queensland is slightly below the national average in people who do not have insurance, which is counter to the idea that there is significant underinsurance.

Senator McLUCAS: But you would agree that that is the view in North Queensland—that we have this level of underinsurance and non-insurance? So have you tested those figures from Treasury's perspective?

Ms Quinn: I am happy to look into it a little bit more. I am personally not sure about the additional work done around this, except I do know that the task force rigorously interrogated all different data sources as part of their investigations.

Senator McLUCAS: I suppose I am using Treasury as a test of the data from the task force, which is probably a bit rude.

Ms Quinn: I have full confidence in the members of the task force, who reached out to other parts of the Public Service and parts of the private sector to verify the data. So I have no reason to doubt the veracity of the ABS information or the processes, but I am happy to take any extra information on notice.

Senator McLUCAS: I am not asking Treasury to undertake a large piece of work. You have probably answered the question by saying data is data. But, given the view in my community, I think there is a piece of work that we should do to help inform people.

Answer:

The data in question is the official Australian Bureau of Statistics data from 2011-12, and Treasury is not aware of any other data that would cast doubt on the statistics provided.