

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2017 - 2018

Division/Agency: Financial System Division
Question No: 213
Topic: Northern Australia Insurance report
Reference: Hansard page 88-89 (30 May 2017)
Senator: Gallagher, Katy

Question:

Senator GALLAGHER: Are you the group that does the northern Australia insurance report?

Mr Lonsdale: Yes.

Senator GALLAGHER: I think the minister gave a commitment to release the government response to the task force report some time ago now. Can you give me an update on where that is?

Mr Lonsdale: My understanding is that the report is with government.

Ms Brown: The report was released in March 2016.

Senator GALLAGHER: The report was released, but:

The government will consider the options contained in the report and intends to provide a detailed response by 30 June 2016.

That is a quote from the minister on 4 March 2016. Is there any further information you can provide as to a detailed response?

Mr Lonsdale: All I can say is the government is yet to announce its response to the report. I cannot give you a date on when that is coming.

Senator GALLAGHER: Has the response been finalised or is it in the process of being finalised?

Mr Lonsdale: We would have provided advice to government and, as at this moment, there is no public response.

Senator GALLAGHER: Can you explain why there has been a delay from what the minister promised?

Mr Lonsdale: It is an issue for government as to when they would like to release a response. If it is helpful, I am happy to take that question on notice and provide you with a response.

Senator GALLAGHER: I would certainly like to know when it is coming. I know quite a lot of people, particularly in the insurance industry, who would be interested in the government's response and have been waiting for it.

Answer:

The Government is carefully considering the findings of the Taskforce and all options available in detail and will respond in due course.

The Government has directed the Australian Competition and Consumer Commission (the ACCC) to monitor prices, costs and profits in the insurance market in northern Australia in relation to home, contents and strata insurance. The monitoring period commenced on 1 July 2017 and will continue for three years.