

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Supplementary Budget Estimates
2014 - 2015

Department/Agency: Treasury

Question: SBT 4328

Topic: ASIC comparison website - consultations

Reference: Hansard page no. 13 - 31 October 2014

Senator: McLucas, Jan

Question:

Senator McLUCAS: Thank you, Minister. That is an outcome. That is good. I will go now to the information and comparison website, sometimes called 'the aggregator'. What is the time frame for the establishment of the aggregator?

Ms Quinn: The government made an announcement on this last week. As is included in that announcement, ASIC is going to be implementing the comparison website. As noted in that press release, the intention is for it to be functional from March 2015.

Senator McLUCAS: What consultation has there been with the insurance industry, with consumers, with everyone, to get to this point?

Ms Quinn: I am happy to take further details on notice, but, in general, as part of the consultation process on the discussion paper you mentioned earlier, we have had quite a lot of bilateral and group meetings with various members of the insurance industry—and following up on some of the submissions we have received as well. There will be more consultation from this point forward as part of ASIC's implementation process.

Senator McLUCAS: What about consumers? How do you capture the consumer voice in these conversations?

Ms Quinn: We have had conversations with consumer organisations that have raised issues with us, as we would normally do. It can sometimes be difficult to get to individual consumers and individual concerns. There were some submissions, as part of the process, from individuals in the region. Our understanding is that ASIC, as part of their implementation process, would normally have a detailed process of consultation with consumers to ensure that it meets the objectives from their point of view. It is standard practice for them, in anything that has a consumer aspect to it, to do different types of consumer testing and to hold different types of discussions.

Answer:

4328. The proposal for the aggregator was included in the discussion paper *Addressing the high cost of home and strata title insurance in North Queensland*. Treasury received 29 submissions in response to the paper, from stakeholders including insurers, insurance comparison website operators, individuals, and consumer groups. Submissions were made by Legal Aid Queensland, the Financial Rights Legal Centre, and the Financial Ombudsman Service. In addition, Treasury has held a series of meetings and teleconferences to discuss the North Queensland insurance measures announced by the Government in general and the insurance comparison website in particular, with stakeholders including insurers and consumer focussed groups such as Choice.

Since agreeing to undertake the project, ASIC has held talks with the Insurance Council of Australia, and will further consult directly with key insurers operating in North Queensland.

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

In addition to ASIC's discussions with consumer groups as part of Treasury's meetings referred to above, ASIC will further consult with key consumer agencies. However, in order to meet the time frame of March 2015, ASIC does not intend to undertake any consumer testing of the comparison website prior to the initial release. After the initial website launch, ASIC will consider whether refinements and consumer testing are appropriate.