

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Australian Securities and Investment Commission

Question No: 205

Topic: ASIC review of add-on Insurance

Reference: Hansard Page 49 (19 October 2016)

Senator: Macdonald, Ian

Question:

Senator IAN MACDONALD: Have you invited submissions from the motor dealers?

Mr Saadat: We have. We have consulted for most of this year with the car industry, those peak lobby groups for the car industry, as well as other interested stakeholders. We have had two rounds of consultation with the car industry on some of the proposals that we are putting forward.

Senator IAN MACDONALD: How recent were these? And who did you deal with—not by name but by description?

Mr Saadat: We will take it on notice.

[...]

Senator IAN MACDONALD: Could you put on notice details of when your consultation started.

Mr Saadat: We can provide you with that information.

Answer:

ASIC has conducted two rounds of targeted consultations on flex-commissions, seeking written submissions in relation to two issues papers, issued in December 2015 and June 2016 respectively. Submissions were received from a number of industry bodies representing lenders, brokers and car dealers; and individual car dealers and lenders.

ASIC had also held a number of meetings with individual stakeholders alongside this formal consultation process, including six meetings with car dealers or their industry bodies between September 2015 and October 2016.

Additionally, by letter dated 26 November 2014 ASIC Deputy Chair Peter Kell wrote to an industry body for car dealers offering to meet to discuss this issue. That offer was not taken up.