

Introduction

This submission is presented by Australian Associated Motor Insurers Limited (AAMI), 616 St Kilda Road, Melbourne, Victoria, 3004.

This document has been prepared in response to the request from the Senate Environment, Communications, Information Technology and the Arts Committee's for submissions regarding the proposed establishment of a National Do Not Contact Register.

Australian Associated Motor Insurers Ltd (AAMI) is part of the Promina Group (Promina), which is Australia's third largest general insurance company.

AAMI is an underwriter of car, home, compulsory third party (CTP) personal injury insurance and small business insurance. AAMI anticipates underwriting almost 3 million policies in 2005 with gross written premium of more than \$1.3 billion. AAMI is a Victorian based insurer, with its head office located at 616 St Kilda Road, Melbourne. AAMI currently employs 3,420 staff across 53 locations around Australia.

AAMI is a direct distributor, with no intermediary involvement. It provides insurance for the general population, under the brands, AAMI, Just Car Insurance Agency and small business under the Australian Better Business Insurance Brand. AAMI operates in all Australian States and Territories except Western Australia.

If you have any questions or would like further information please do not hesitate to contact either:

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Overview

AAMI continues to support the notion of a Do Not Contact Register. AAMI has used a deliberate strategy since 2000 of only contacting AAMI customers who give us express consent to sell them another insurance product that we issue that maybe of relevance to them.

We do not make unsolicited telephone calls for the purpose of selling a financial service to customers who have not provided us with a positive, clear and informed request to do so.

AAMI does not sell on its customer lists (in fact it makes a clear promise to its customers not to do so in the AAMI Customer Charter, Promise 5 – please see www.aami.com.au for a copy), even within the Promina Group.

Concerns

However with any new concept the devil is the in the detail regarding how to implement agreed policy. AAMI's concerns are outlined below.

Existing Customers

The original Discussion Paper released by the Department of Communications, Information Technology and the Arts in October 2005 to request responses from interested parties, stated that existing customers would be exempt from the requirements of the Do Not Contact Register Bill. The subsequent Bill has made some provision for those via the concept of inferred consent, however it is not clear whether by the fact that a customer has a relationship with the organization that contact has inferred consent.

AAMI requests that this position be clarified in the Act.

Duration of Consent

The Bill states that if express consent is given, and the consent is not expressed to be for a specified period or for an indefinite period, the consent is taken to have been withdrawn at the end of the period of 3 months beginning on the day the consent was given. 3 months is a very short time frame for organizations to respond to the express consent, especially large organizations who have millions of customers. This would mean they would have to contact them again to gain express consent which appears to be counterpoint to the Bill's intent of not contacting people unless they wish for organisations to.

AAMI recommends due to the inconvenience to the customer as outlined above that consent be valid for 1 year.

