

The Secretary
Senate Economics Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Email: economics.sen@aph.gov.au

19 April 2013

Dear Secretary

INSURANCE CONTRACTS AMENDMENT BILL 2013

The Financial Services Council (FSC) welcomes the opportunity to comment on the *Insurance Contracts Amendment Bill 2013* (2013 Bill).

The FSC represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, private and public trustees. The FSC has over 130 members who are responsible for investing \$1.9 trillion on behalf of more than 11 million Australians.

The FSC supports urgent passage of the 2013 Bill which we note re-introduces the *Insurance Contracts Act Amendment Bill 2010* with some refinements. The *Insurance Contracts Act (1984)*, and subsequent proposed amendment bills, has been the subject of extensive consultation following the Cameron/Milne review in 2004. The FSC has contributed a number of written submissions and participated in detailed consultations with the Commonwealth Treasury, industry and consumer representatives in relation to the Bill, including in relation to the amendments that have been made to the 2010 Bill in the 2013 Bill.

In particular, the FSC participated in constructive discussions throughout 2011 and 2012 between industry, consumer advocates and Treasury to ensure the positions adopted in the then draft Bill achieved a balance between appropriate outcomes for consumer protection and certainty for the industry. Most recently a further and final round of consultation took place in November 2012 to confirm that the Bill's text accurately reflected the outcomes agreed by all stakeholders.

We believe the 2013 Bill represents a strong consensus position between all stakeholders achieved as a result of this detailed consultation process and as such, will not address the provisions in detail in this submission.

The FSC urges the Committee to recommend that the Bill be passed as soon as possible so that consumers and industry are able to benefit from these reforms.

Please feel free to contact me on _____ should you wish to discuss this submission further.

Yours sincerely

Holly Dorber
Senior Policy Manager