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COST OF LIABILITY PREMIUMS CONTINUES TO FALL

The Insurance Council of Australia has welcomed the latest statistics from the Australian Prudential Regulation Authority which show that public liability premiums fell a further 13.4% last year.

Insurance Council CEO, Kerrie Kelly, said the latest data from APRA's National Claims and Policies Database (NCPD) confirms what insurers have been saying for the last 12 months -- that reforms to public liability laws are making cover more affordable and more available for the Australian community.

The NCPD figures show a 13.4% reduction in average premiums in the 12 months to December 2005 on top of a 6.9% drop in 2004.

"This fact that average premiums have continued to fall in 2005 is good news for community groups and businesses alike.

"All Governments agreed to introduce reforms to ensure that seriously injured people continue to receive appropriate compensation while Australians can take part in everyday community activities without being restricted by unaffordable premiums.

"The latest figures from APRA show the reforms are having a positive impact on both public liability and professional indemnity and that insurers are playing their part," Ms Kelly said.

This positive news follows on from recent comments by the Australian Competition and Consumer Commission which said in a media statement on 7 July that the market for public liability cover had improved for Not For Profit Organisations (NFPOs). "There are now many more insurers offering public liability insurance to NFPOs and premiums are more affordable," the statement said.

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