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ASIC report highlights the good work of insurers

The Insurance Council welcomed the ASIC report released today “*Making Home Insurance Better*” as it highlights the general insurance industry’s achievements in helping address the issue of underinsurance in the Australian community.

“The ASIC report shows that the general insurance industry has taken the initiative and introduced specialist products, alternative policies and delivered better information to assist consumers in addressing the issue of under-insurance.” Chief Executive of the Insurance Council, Kerrie Kelly said.

“It is important that consumers recognise that they have a personal responsibility in reducing their risk of underinsurance. Consumers need to make regular use of the tools developed by insurers to determine the appropriate level of insurance they need to cover assets and property.”

“Under and non-insurance are issues that the insurance industry is very concerned about. According to Insurance Council data 1.8 million households in Australia do not have any home or contents insurance. This represents 23% of homes in the Australian community,” said Ms Kelly.

“The report recognises that insurance companies are consumer focused and ASIC commends their efforts in improving on-line calculators, which aid the policyholder in ascertaining their appropriate level of cover and highlights the importance of providing consumers with insurance education tools such as the Smarter Insurance Guide.¹”

“The positive way the industry responded to Cyclone Larry is also highlighted in the ASIC report. The flexible nature in which insurers extended claims processing, increased accommodation periods and raised the amount payable under policies, confirms the industry’s commitment to providing the best possible response and recovery service for consumers who have been affected by a natural disaster” said Ms Kelly.

Media contact: Paul Giles 02 9253 5160 0415 131 005

¹ The Smarter Insurance Guide is a free joint publication between the Australian Bankers Association, Investment and Financial Services Association and the Insurance Council. It is available to download at www.insurancecouncil.com.au