

Opening remarks at the stakeholder acknowledgment breakfast for the 2020 General insurance Code of Practice

**Delivered on February 27, 2020, by Rob Whelan,
CEO, Insurance Council of Australia
at the State Library of Victoria**

- I'm Rob Whelan, CEO of the Insurance Council.
 - I am pleased to welcome you here today to mark the impressive contributions you've made to developing the new General Insurance Code of Practice.
 - Before we begin proceedings, I would like to acknowledge the traditional custodians of this land on which we are meeting, the Wurundjeri people of the Kulin nation, and pay our respects to the elders past, present and emerging.
 - While breakfast is being served, we'll play a short video that goes to the heart of a key focus of the new Code.
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- You've just watched real people and heard real stories from the vulnerability training created by Kildonan.
 - This video, and others like it, are available as part of ANZIIF's Code training. The training also features passionate people from within the industry, sharing their insights.
 - The need for the Code to require extra care and recognise the diverse and varying needs of individuals experiencing vulnerability was heard loudly during the review.
 - We all know any one of us – at any point in time in our lives and for many reasons – can become vulnerable. This might be through a mental health condition, family violence, or cultural and linguistic diversity.

- The new Code introduces a suite of standards to support vulnerable customers including a commitment requiring a policy to support customers affected by family violence.
- You'll see on your table a copy of the new Code and the guidance papers to assist industry. A huge amount of work has gone into the design of these, and I think they reflect the values of the Code and the industry.
- A special thank-you to Danielle Butters and Campbell Fuller for their work in developing, designing and delivering these.
- This isn't just a plain English rewrite. The Code is shifting to fresh ground and raising the standards of customer service that the general insurance industry is committed to delivering. We believe these commitments will transform the customer experience across all stages of insurance.
- These include:
 - Complaints handling – in response to submissions, the new Code provides for a streamlined complaints process, removing the existing two stages.
 - Claims handling – The updated Code also recognises the 'human experience' that comes with natural disasters, with new requirements around total losses and customer information to help them understand cash settlements for a home building policy and what to expect when a scope of works to rebuild or repair the home is required.
 - Investigating claims – provisions set out for the first time a clear process of what a consumer can expect should a claim be investigated.
 - Enhanced sanctions – provisions for significant breaches such as compensation for direct financial loss and a community benefit payment of up to \$100,000. Changes have also been made to implement the Royal Commission recommendation, removing the rectification precursor to sanctions.
- The ICA thanks each of you for your contribution to the development of the new 2020 Code. This is one of the most comprehensive reviews yet.

- The ICA could not have achieved this without the insights of our key stakeholders and the willingness of industry to embrace change.
- I want to mention a few contributors who are represented here today:
 - The ICA Board – I will shortly introduce our President to speak further.
 - Phil Khoury, for providing independent oversight of the review process and facilitating the various Code workshops with stakeholders
 - The ICA's Consumer Liaison Forum (including the Consumer Action Law Centre (Gerard Brody & Cat Newton), Financial Rights Legal Centre - particular call out: Drew Marae who co-ordinated a joint FCA consumer submission and WEstjustice (Denis Nelthorpe)
 - ASIC – Daniel Crennan QC, Deputy Chair
 - AFCA – John Price, Lead Ombudsman, Insurance
 - The Code Governance Committee (Phillipa Heir) and the Code Compliance Team (Rose-Marie Galea, Sally Davis)
 - ICA members - the National Code Committee and its Chair, Annabelle Butler; the investigations committee, regulatory committees from John Anning's directorate working on disclosure, mental health and add-on and members working with vulnerable customers who feature in the training
 - Stakeholders who made submissions and participated in Code Review workshops on topics ranging from mental health, third party distribution, complaints process, product design and distribution and industry data collection.
 - Many stakeholders such as the Economic Abuse Reference Group who contributed to the development of the guidance documents such as family violence
 - ANZIIF and Kildonan for their work on training to support the implementation of the new Code

(Rob introduces ICA President Gary Dransfield)

CLOSING REMARKS

- Thank you Gary for your kind words and recognition.
- While we've come to the end of the breakfast, it begs the question, 'Where to from here?'
- The ICA will be working closely with members and the Code Governance Committee's Compliance Team to help them transition to the new Code by January 1.
- The Insurance Council continues to look for ways to help those who need it most through-out 2020, in partnership with you. Self-regulation, financial services and vulnerability initiatives will be a Panel discussion at our upcoming annual forum so we can continue this important focus.
- The ICA Board has agreed the Code should be put forward for ASIC approval, once the enforceability legislation and ASIC's guidance is updated. The ICA is participating in Treasury discussions on this work and looks forward to working through the issues ahead. Thank you to Peter Kell who is working on these issues with Treasury and for being here today.
- Again, thank you all, and please don't hesitate to talk to me, Gary or Fiona about the Code and its implementation.