



Manager
Crisis Management Framework Unit
Financial System Division
The Treasury
Langton Crescent
PARKES ACT 2600
Email: fsleviesreview@treasury.gov.au

Attention: Ms Gillie Kirk

1 June 2011

Dear Ms Kirk

PROPOSED FINANCIAL INSTITUTIONS SUPERVISORY LEVIES 2011-2012

The Insurance Council of Australia (***Insurance Council***)¹, the representative body of the general insurance industry in Australia, welcomes the opportunity to comment on the proposed financial institutions supervisory levies to apply for the 2011-2012 financial year.

The Insurance Council has discussed with its members the Consultation Paper explaining the proposed levies. Noting that the levies will continue to be determined by the levy framework introduced in 2005-2006 (as revised in 2010), there are no issues that we wish to raise.

If you would like to discuss this issue, please contact Mr John Anning, Insurance Council's General Manager Policy – Regulation at janning@insurancecouncil.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read "R Whelan", with a long horizontal flourish extending to the right.

Robert Whelan
Executive Director & CEO

¹ The Insurance Council of Australia's members represent more than 90 percent of total premium income written by private sector general insurers. Insurance Council members, both insurers and reinsurers, are a significant part of the financial services system. December 2010 Australian Prudential Regulation Authority statistics show that the private sector insurance industry generates gross written premium of \$33.4 billion per annum and has total assets of \$101.7 billion. The industry employs approx 60,000 people and on average pays out about \$87 million in claims each working day.

Insurance Council members provide insurance products ranging from those usually purchased by individuals (such as home and contents insurance, travel insurance, motor vehicle insurance) to those purchased by small businesses and larger organisations (such as product and public liability insurance, professional indemnity insurance, commercial property, and directors and officers insurance).