

16 October 2020

Consumer Data Right  
Treasury  
Langton Crescent  
PARKES ACT 2600

By email: [data@treasury.gov.au](mailto:data@treasury.gov.au)

Dear Sir/Madam

### **CONSUMER DATA RIGHT – LEGISLATIVE AMENDMENTS**

The Insurance Council of Australia<sup>1</sup> (Insurance Council) appreciates the opportunity to comment on the legislative amendments released on 1 October 2020 for the Consumer Data Right (CDR).

The Insurance Council supports CDR regime and the ability for consumers to use data more effectively to their own benefit. We also note the recent interim report by the Select Senate Committee on Financial and Regulatory Technology which recommended to the Government that the general insurance sector should be subject to the CDR regime.

The Insurance Council supports the new approach detailed in the legislative amendments. In particular, we strongly support the requirement for the Minister to undertake extensive public consultation prior to sectoral designation and CDR rulemaking. It is critical that before any designation by the Government for CDR to apply to the general insurance sector, that the Insurance Council, and its members and all interested stakeholders are consulted.

Extensive consultation with the Insurance Council and its members prior to any sectoral designation, will ensure a smooth transition to any new arrangements and would maximise the benefits for both the industry and policyholders.

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<sup>1</sup> The Insurance Council of Australia (ICA) is the representative body of the general insurance industry in Australia. ICA members represent about 95 per cent 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.

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).

June 2020 Australian Prudential Regulation Authority statistics show that the general insurance industry generates gross written premium of \$51.4 billion a year and has total assets of \$135.4 billion. The industry employs about 60,000 people and on average pays out about \$171.1 million in claims each working day.

If you have any questions or comments in relation to our submission please contact Mr Aidan Devitt, Policy Advisor, Regulation Directorate, on telephone: 02 9253 5134 or email: [adevitt@insurancecouncil.com.au](mailto:adevitt@insurancecouncil.com.au).

Yours sincerely



Andrew Hall  
Executive Director and CEO