

MISSION

To influence, ethically and expertly, the political, social, business and economic environment in order to promote members role in providing insurance protection and security to the community.

OBJECTIVES

- Represent members interests in both domestic and international issues
- Represent the general insurance sector to government and the community
- Communicate to the industry the needs and expectations of governments and the community
- Improve the industry's image
- Promote community awareness of the role and benefits of insurance
- Encourage improved service standards across the insurance sector and promote appropriate self-regulation
- Promote private sector provision of insurance services

WHO WE ARE

The Insurance Council of Australia is the representative body of the general insurance industry in Australia. Our 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 Australian financial services system. March 2009 Australian Prudential Regulation Authority statistics show that the private sector insurance industry generates gross premium revenue of \$31.7 billion per annum and has assets of \$93.8 billion. The general insurance industry on average pays out about \$99.2 million in claims to policyholders 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 organisation (such as product and public liability insurance, commercial property, and directors and officers insurance).

THE BLUEPRINTS

Building on discussions with member companies and other key stakeholders over the past year, the Insurance Council has developed a set of six strategic industry blueprints.

- Contributing to Australia's Economic Strength
- Community Support
- Disaster Planning Response & Recovery
- Environment & Climate Change
- Personal Injury Management & Compensation
- Industry Leadership

These strategic blueprints reflect key priority areas for the industry that are of relevance and importance to consumers and Governments. The aim of the strategic blueprints is to ensure consistency of public policy development over time and maximise the benefits to insurance consumers.

The strategic blueprints articulate the industry's views and are designed to assist Governments in the development of public policy to enable the industry to deliver more effective risk protection to the Australian community.



INSURANCE COUNCIL OF AUSTRALIA STRATEGIC BLUEPRINTS

<p>1</p> <p>CONTRIBUTING TO AUSTRALIA'S ECONOMIC STRENGTH</p>	<p>CORE STATEMENT: The insurance industry is critical to the efficient operation of a modern economy. It is an important partner in providing risk protection, facilitating economic growth, job creation and innovation. The Industry is also a major direct and indirect employer in Australia, and a source of tax revenue for State and Commonwealth Governments. A profitable insurance industry is vital for consumers to engender competition and ensure that insurers can provide services and meet their claims obligations.</p>	<p>OBJECTIVES: To promote an economic, regulatory, tax and operating environment that will enable insurers to continue to deliver quality products and services that meet business and individual consumer needs ■ Effective and fair industry regulation including competitive neutrality and a cost effective regulatory system that is principles based and ensures that Australia is globally competitive ■ Recognition of the importance of insurer solvency and profitability to be able to continue to provide services and meet claims obligations.</p>	<p>PROGRAMME</p> <p>■ Insurance Tax Reform ■ Financially Strong Insurance Sector ■ Funding Emergency Services ■ Effective Regulation ■ Conflicts of Interest</p>
<p>2</p> <p>COMMUNITY SUPPORT</p>	<p>CORE STATEMENT: The insurance industry is an important partner in supporting communities and in identifying, assessing, and helping consumers to manage their risks. The industry provides risk protection options for consumers, facilitating day to day living and community activities and events. Effective risk management requires mutual responsibility by insurers, individual consumers, communities and governments.</p>	<p>OBJECTIVES: To encourage mitigation of community risks through Insurance product design and pricing ■ Engage with community and government programs such as road safety and crime prevention ■ Consumers have sufficient understanding to choose and obtain the right type and level of insurance coverage and where insurance products are able to respond to changing needs.</p>	<p>PROGRAMME</p> <p>■ Costs of Self-Insurance ■ Crime Prevention ■ Fraud ■ Road Safety ■ Modernise Australian Building Codes ■ Health ■ Social Inclusion ■ Travel Insurance</p>
<p>3</p> <p>DISASTER PLANNING, RESPONSE & RECOVERY</p>	<p>CORE STATEMENT: The insurance industry is an important partner in identifying, assessing and promoting effective mitigation and management of disaster risk. Insurance also plays a critical role in facilitating recovery and stimulating economic growth following a disaster.</p>	<p>OBJECTIVES: To participate in debates on crisis management related to natural and man made disaster risks and create a better appreciation of what risks are and are not insurable ■ To influence the adoption of risk mitigation strategies by individuals, communities and governments ■ Risks are identified early, understood, measured and managed effectively ■ Individuals, governments and insurers recognise they each have a mutual responsibility and that disaster relief is not seen as an alternative to private insurance ■ Recognition of the importance of insurance in recovery following a disaster and its value as an economic stimulant following a disaster.</p>	<p>PROGRAMME</p> <p>■ Uninsurable and Future Risks ■ Disaster Risk Data ■ Disaster Response ■ Flood ■ Terrorism ■ Pandemics</p>
<p>4</p> <p>ENVIRONMENT & CLIMATE CHANGE</p>	<p>CORE STATEMENT: The insurance industry is an important stakeholder in the debates on environment and climate change. The impact of climate change on weather patterns and natural disasters can have a significant impact on the cost and availability of insurance, as well as the solvency of insurance companies.</p>	<p>OBJECTIVES: To contribute to the understanding of the effects of climate change and on risk management associated to alternative energy sources and emission reduction technology ■ To promote Government and community understanding so that they can take necessary action to ensure that Australian communities are resilient to extreme weather risks ■ To promote the provision of insurance products for environmentally friendly behaviours and outcomes ■ To promote effective risk mitigation and encourage governments to address and resolve environmental challenges.</p>	<p>PROGRAMME</p> <p>■ Disaster Mitigation ■ Building Community Resilience ■ Mitigation of Risks by Governments ■ Protecting and Maintaining Infrastructure ■ Land Use Planning/Building Codes and Standards</p>
<p>5</p> <p>PERSONAL INJURY MANAGEMENT & COMPENSATION</p>	<p>CORE STATEMENT: The insurance industry is an important partner in managing personal injury recovery and driving personal injury prevention through education and risk pricing. It is also a partner to the healthcare industry in providing risk protection to facilitate the effective operation of medical, care and rehabilitation systems and the development of new products and techniques.</p>	<p>OBJECTIVES: A competitive industry for personal injury insurance ■ To promote reforms to personal injury management and compensation that are focused on optimal health, lifestyle and work outcomes ■ Harmonisation of the benefits and scheme design for workers compensation and compulsory third party insurance so that injury management and compensation systems operate on a stable, predictable, affordable and nationally consistent basis, for the benefit of insurance consumers, injured persons and their families ■ Support market based schemes ■ A litigation system in Australia that balances the rights of one individual against the rights of all individuals and enables insurers to maintain solvency to be able to pay future claims.</p>	<p>PROGRAMME</p> <p>■ Public Liability Reform ■ CTP Insurance and Worker's Compensation ■ Effective Injury Management ■ Benefit and Scheme Harmonisation</p>
<p>6</p> <p>INDUSTRY LEADERSHIP</p>	<p>CORE STATEMENT: Insurance is a critical element of a modern society and provides protection for every aspect of Australian life. Through the Insurance Council, the industry is at the forefront of emerging issues and a respected leader in community and Government debates on the issues that impact on insurers, their customers and society.</p>	<p>OBJECTIVES: To promote the value of insurance and contribute to the enhancement of the industry's image and reputation with governments and consumers ■ Consumers understand and have confidence in the value provided by insurance, the nature of protection available (or unavailable) and the claims and dispute settlement processes ■ To be at the forefront and be recognised as a respected commentator on public policy debates and emerging issues that impact on insurance protection and security for the Australian community.</p>	<p>PROGRAMME</p> <p>■ Mutual Responsibility ■ Consumer Confidence ■ Value of Insurance to the Community ■ Code of Practice ■ Industry Reputation ■ Industry Data and Benchmarking</p>