



4 May 2017

Mr Mark Fitt
Committee Secretary
Senate Economics References Committee
PO Box 6100
Canberra ACT 2600

Sent by email: economics.sen@aph.gov.au

Dear Mr Fitt

Inquiry into Australia's general insurance industry

I write to provide two clarifications to the evidence given at the Committee's public hearing on Wednesday, 12 April 2017.

Industry performance

In relation to QBE's in camera evidence, Senator Smith asked whether *'the QBE experience would reflect the industry or would be below the industry or above the industry? When we are looking at your in camera evidence, we could use that to get a guide of the Australian industry performance?'*

I responded that *'[i]t is broadly in line with the industry over recent years. It will indicate some of the challenges faced in these particular consumer classes'*.

I wish to clarify that I intended my response to relate to the relative profitability of some years over others, on an industry-wide basis. However, QBE's overall profitability may or may not reflect the broader industry – this question would need to be directed to individual companies.

Norwegian comparator

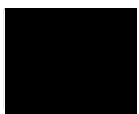
In response to questions from Senator Xenophon in relation to the Norwegian government-owned comparison website, I responded that *'only five per cent of people looking at price comparators, price calculators and comparison tools actually went to the website'*, and that *'[f]ive per cent accessed the website. That did not mean that they closed or made the shift to the website so I think that is quite important'*.

I wish to clarify that research commissioned by the comparator reveals that of those consumers who moved or renegotiated insurance services:

- 5 per cent used the comparator, and
- 73 per cent dealt directly with the insurance company.

Please do not hesitate to contact either myself, or our Head of Government Relations, Kate O'Loughlin, on [REDACTED] or at [REDACTED], if you require any further information.

Yours faithfully



Andrew Broughton
Executive General Manager, Corporate Partners and Direct
QBE Australia and New Zealand