



ASIC
Australian Securities &
Investments Commission

Committee	Parliamentary Joint Committee on Corporations and Financial Services
Inquiry	Oversight of ASIC, the Takeovers Panel and the Corporations Legislation
Question No.	017
Topic	Predictive Genetic Information in Life Insurance
Reference	Written, 20 December 2022
Committee member	Senator Deborah O'Neill

Question

1. How many complaints has ASIC received regarding the use of predictive genetic information in life insurance?
 - a. Does AFCA receive complaints on the use of predictive genetic information in life insurance?
2. What is ASIC's view on the effectiveness of:
 - a. the existing FSC moratorium?
 - b. the recent changes announced by the FSC?
 - c. different approaches used overseas, such as in the UK and Canada?
3. What is ASIC's view on the most appropriate type of regulation (e.g. self-regulation, co-regulation or direct regulation) for the use of predictive genetic information in life insurance?
4. A-GLIMMER has suggested direct regulation could be implemented by removing the exemption for life insurers using predictive genetic information in the *Disability and Discrimination Act 1992*.
 - a. What is ASIC's view of such an approach?
 - b. If that amendment was implemented how would complaints be handled by AFCA and ASIC and referred to other bodies?
5. A new peak body for life insurers has been established, namely the Council for Australian Life Insurers (CALI). What is ASIC's understanding of the reasons for the formation of CALI and how the moratorium may be affected?

Answer

1. To date ASIC has not received any complaints regarding the use of predictive genetic information in life insurance.

1.a. AFCA has not made ASIC aware of any complaints regarding the use of predictive genetic information by life insurers. AFCA may have more specific information.

2.a. The Financial Services Council (**FSC**) Standard No. 11: Moratorium on Genetic Tests in Life Insurance (the FSC moratorium) was published in June 2019 and applies to FSC members. ASIC understands that the effectiveness of this moratorium is the subject of ongoing research funded by the Government and undertaken by the Australian Genetics & Life Insurance Moratorium: Monitoring the Effectiveness & Response (**A-GLIMMER**) research project. The findings of this research are due in June 2023. The FSC has also published some findings from its own review of the FSC moratorium (see [link](#)).

2.b. The effectiveness of the recent changes announced by the FSC is a matter for the Government and the Parliament.

2.c. ASIC is aware of different regulatory approaches overseas, including in jurisdictions such as Canada and the UK where this issue is regulated through legislation rather than industry standards or codes. ASIC is not aware of any reviews of the effectiveness of those regulatory approaches.

3. The most appropriate form of regulation for the use of predictive genetic information by life insurers is a matter for the Government and the Parliament.

4. As per our response to 2a, the findings of this research are due in June 2023. ASIC awaits these findings.

5. The reasons conveyed to ASIC for CALI's formation are those referenced in the CALI media release (see [link](#)).