



<b>Committee</b>	Parliamentary Joint Committee on Corporations and Financial Services
<b>Inquiry</b>	Oversight of ASIC, the Takeovers Panel and the Corporations Legislation No.1 of the 46th Parliament
<b>Question No.</b>	016
<b>Topic</b>	Insurance
<b>Reference</b>	Spoken, 5 December 2022, Hansard page 66
<b>Committee member</b>	Hon Keith Pitt MP

## Question

I will quickly put one question on notice. Back to insurance, on this activity where insurers are providing pricing by postcode regardless of evidence: has ASIC looked into any of those activities? For example, an area which had a flood—it could be my area, for example, which is postcode 4670. Clearly not every house is flood prone, but that is being applied—I've had any number of inquiries from constituents about massive increases in their insurance costs regardless of whether they're at risk or not. On notice, can you provide what is or isn't happening around that.

## Answer

ASIC and the Australian Prudential Regulation Authority (APRA) are working with insurers to obtain more granular data regarding insurance affordability and availability through a general insurance recurrent data collection. ASIC and APRA are also working with the Treasury and other government agencies in relation to insurance affordability and associated information collection (see [link](#)).

We are aware that home insurance premiums are increasing in many parts of Australia following floods and other natural disasters in recent years. Provided insurers give appropriate notice to customers and their customer communications are not misleading or deceptive, ASIC does not have a role in overseeing home insurance pricing. While insurers have broad discretion on pricing, there are some factors that they are not permitted to base pricing on under federal anti-discrimination acts (for example, the consumer's racial background).

ASIC and APRA have limited ability to address accessibility and affordability through direct regulation. Access and affordability issues are complex and involve many stakeholders including industry and various levels of Government.