Insurance Council of Australia

The Cost of Regulatory Burden

November 2025

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Contents

1. Executive Summary

1.1. Scope and Purpose of this Report

This report responds to the Australian Government's priority to improve national economic productivity by examining the impact of regulatory design and accumulation on the general insurance sector. The report summarises key challenges facing general insurers, aiming to identify sources of regulatory cost and inefficiency, such as duplication, prescriptive rules, and fragmented processes, and to propose practical reforms that improve productivity without weakening core consumer protections.

The scope of this analysis covers the federal, state, and territory regulatory frameworks. Based on an analysis of regulatory instruments, consultations with 8 insurers[1], the report:

- Identifies the key characteristics and sources of regulatory inefficiency;
- Illustrates the cost, productivity, and customer impacts using quantitative and qualitative data; and
- Outlines five actionable productivity improvement opportunities, ranging from short-term fixes to long-term structural reform.

These opportunities offer a pathway toward a more productive regulatory framework that supports both strong consumer protection and national productivity objectives.

1.2. Background

The general insurance industry in Australia is subject to a comprehensive regulatory framework, which over recent years has also been subject to a rapid pace of regulatory reform. This regulatory environment exists within the broader context of a persistent, decades-long productivity slowdown in Australia. While recent data indicates that cost-of-living pressures are easing, the underlying challenge of weak productivity growth remains. This is reflected in the 2023-2024 multifactor productivity (MFP) growth of just 0.1%, with the finance and insurance sector recording a similarly low 0.4%[2]. Both the RBA[3] and the Productivity Commission[4] have identified regulatory barriers – such as overlapping and overly prescriptive rules – as contributors to slower business growth.

A robust regulatory framework is essential for providing consumer protection and ensuring financial stability. The critical tension, therefore, lies not in the existence of regulation itself, but in the inefficiency and duplication created by its cumulative weight and design if there are no robust mechanisms to ideally prevent these from occurring in the first place, or failing that, detecting and responding to these effects in a timely manner when they are apparent. When poorly designed or siloed, it can create a risk averse compliance approach and add unnecessary costs that are ultimately borne by customers. A well-designed regulatory framework can foster a more conducive environment for innovation and competition, promoting productivity and the long-term health and dynamism of the general insurance industry.

[1] Refers to ICA members only

[2] Estimates of Industry Multifactor Productivity, ABS (January 2025)

[3] In Depth – Drivers and Implications of Lower Productivity Growth, RBA (August 2025)

[4] Creating a more dynamic and resilient economy, Productivity Commission (September 2025)

1.3. Key Challenges and Observations

The general insurance sector operates under a complex framework of over 30,000 discrete obligations from 300+ instruments, enforced by more than 25 regulators. This framework is compounded by a historically reactive, "one-size-fits-all" approach, where new regulations are layered on in response to specific events rather than being proactively designed. Under the current framework, annual compliance costs are estimated to be $2.5-$3.5 billion (or 4-6% of industry gross written premium).

This reactive approach contrasts with the Australian Law Reform Commission's (ALRC) recommendations for more effective and adaptable regulatory design[5]. While recent initiatives like the Regulatory Initiatives Grid (RIG) aim to improve coordination and provide transparency into regulatory design, the current framework still presents key challenges. Our interviews with insurers repeatedly raised the following challenges with the current general insurance regulatory landscape.

Duplicative oversight and reporting

Multiple regulators require overlapping data and information requests, tying up analysts and compliance teams. The result is a material productivity loss as scarce specialist time is spent reconciling definitions and resubmitting the same information rather than testing controls, improving claims operations or investing in better customer service. The Treasurer has already asked regulators to tackle duplicative data requests.

Layered customer rules

Industry stakeholders noted regulations are often introduced reactively, addressing the issue of the day, without fully considering interactions with existing rules. For example, anti hawking provisions, the deferred sales model and Design & Distribution Obligations were created to target similar risks in sales but implemented uniformly across insurance products, increasing friction in customer sales journeys and making it harder to tailor products and advice to diverse needs.

Lack of coordination between regulators

Thematic reviews and inquiries can run concurrently and from slightly different angles, generating duplicative or even conflicting requirements. Without a holistic approach, firms face shifting expectations and repeated regulatory engagement, which adds to uncertainty and rework. Anecdotally, our members noted that productivity suffers when teams are constantly reconfiguring processes.

Onerous breach and incident reporting

Minor matters are swept into reportable categories and must be lodged with several agencies at once. This drives a risk-averse, process-first culture in which energy goes to documenting and escalating low-impact events rather than addressing material harms, uplifting controls and preventing future breaches.

Compliance costs not commensurate with customer benefits

When regulations are not linked with customer outcomes, they create compliance costs that do not translate to customer benefits. Regulatory impact analysis can miss cumulative effects across rules, and the absence of routine post-implementation reviews allows layers of ineffective regulation to persist.

Prescriptiveness over outcomes

Mandated forms, scripts and rigid process steps slow claims and customer interactions, add cost and confusion, drive risk-averse behaviours and leave little room to tailor solutions or innovate. Often there is also no consideration of the end customer impact or level of associated risk - the emphasis on inputs rather than outcomes locks in legacy processes and prevents productivity enhancing change.

Disproportionate impacts of regulations

These burdens fall hardest on smaller insurers with limited fixed capacity, raising barriers to entry and risking reduced competition. Fewer market participants and constrained innovation ultimately mean higher prices and less choice for customers.

[5] Confronting Complexity: Reforming Corporations and Financial Services Legislation, ALRC (November 2023)

1.4. Productivity improvement opportunities

An analysis of the general insurance regulatory framework and member feedback has identified five key opportunities to increase productivity without weakening core consumer protections. These opportunities align with recommendations from the Productivity Commission and federal economic reform initiatives.

The opportunities are:

1. **Coordinate across regulators and remove duplication across regulatory frameworks:** Consolidate conflicting rules by structuring legislation more logically, with related rules and definitions grouped together – an approach consistent with ALRC's principle "that the law should be clear, coherent, effective, and readily accessible". This should be supported by improved coordination between regulators, guided by a transparent, cross-agency regulatory roadmap and regulator mandates to effectively balance the impacts of regulation on productivity and competition. The RIG initiative is a step in this direction and should be used by regulators to identify where there is overlap with other regulators and actively aim to minimise the burden this creates.
2. **Streamline regulatory reporting with a "single touch" system:** The current reporting framework is a primary source of operational inefficiency due to clustered deadlines and uncoordinated ad-hoc data requests. A "single touch" reporting system should be implemented through a consolidated, API-driven gateway, building on the Treasurer's recent call to eliminate duplicative work.
3. **Adopt outcome-focused, proportionate regulation:** The regulatory framework should transition from prescriptive, process-based rules to principle-based frameworks that target clear outcomes. Meaningful impact assessments, such as efforts to capture the cumulative burden of regulation, can also play a role and would help ensure that the net benefit for customers outweighs the costs. This shift enables risk-based proportionality, where compliance obligations scale with an insurer's size and underlying potential for consumer harms, reducing the compliance cost on smaller or lower-risk compliance operations.
4. **Establish post-implementation reviews:** Introduce a formal, transparent and integrated process for each regulator to systematically review their regulations after a set period of time post their implementation and on an ongoing periodic basis. Regulation should be reviewed within the context of its primary legislation and any intersection regulation rather than in silos to assess whether a regulation is achieving its intended objective efficiently and identify unintended consequences. It could be achieved by the relevant regulator performing an updated cost benefit analysis of the actual costs and benefits observed post implementation using the existing Australian Government Office of Best Practice Regulation Guidance Note (March 2020). It provides a mechanism to amend or remove ineffective rules when it is clear that it would be appropriate to do so.
5. **Design a future-ready regulation framework:** New regulations should be designed for a digital economy, incorporating principles such as tech-neutrality to ensure regulations are future proof and adaptive to emerging technologies. This also includes structuring rules in a machine-readable format that allows an insurer's systems to interpret compliance obligations automatically. This "Rules as Code" approach would reduce manual legal analysis, accelerate compliance, and lower long-term administrative costs.

Implementing these opportunities would reduce operational friction and free up insurer capacity. This allows capital and skilled personnel to be redirected from compliance administration toward core functions like product innovation, strategic investment, and improved customer service. The resulting productivity gains would not only help place downward pressure on premiums but also strengthen the sector's ability to invest and manage risk across the Australian economy and overall enhance market competitiveness in the insurance industry.

2. Introduction

The insurance sector is a key pillar of Australia's financial stability and resilience – right-sized regulation can support a dynamic sector that improves customer outcomes without compromising protections.

Australia is confronting a sustained productivity slowdown. Multifactor productivity (MFP) growth has been flat increasing by just 0.1% in 2023-2024, with finance and insurance services recording MFP growth of 0.4%[6]. The Government has elevated productivity as a national priority, with the Productivity Commission underscoring how poorly designed, overlapping and prescriptive regulation dampens business dynamism, innovation and a resilient Australian economy[7]. The RBA outlined persistent factors behind productivity drag, including declining business dynamism and competition, slower technological diffusion in the economy and lower levels of capital deepening[8]. This productivity drag is exacerbated when highly prescriptive and detailed regulation encourage excessive and disproportionate risk averse behaviour in organisations, diverting resources from innovation growth towards administrative compliance.

This regulatory challenge is acutely evident in the general insurance sector. It is one of the most heavily regulated parts of the economy. The post-Royal Commission period, in particular, added numerous layers – including design and distribution obligations, anti-hawking, the deferred sales model, unfair contract terms, the Financial Accountability Regime, expanded breach reporting, and new prudential standards. While well-intentioned, these reforms have cumulatively created significant regulatory layering and complexity.

The effects of this complexity are structural:

- **Cost and price impacts**: The annual compliance cost is estimated at $2.5−$3.5 billion (4-6% of gross written premium). While a portion of this is a necessary investment in market stability and consumer protection, the excess cost from inefficient and duplicative regulation results in higher premiums, customer friction, and the reallocation of investment away from strategic priorities.
- **Capital deepening constrained**: Large compliance spends create flow on impacts relating to efficient use of capital. For example, IT system changes need to account for ongoing regulatory updates, with larger programmes often dedicating significant capital to regulatory compliance, crowding out productivity enhancing investments.
- **Operational friction**: Duplicative data requests, layered sales rules, and prescriptive processes slow product development and claims handling, adding overhead without commensurate customer benefit.
- **Capacity and competition**: Fixed compliance costs disproportionately impact smaller insurers, often leading to under-resourced compliance functions. This increases the risk of compliance breaches and potential consumer detriment. The resulting remediation from such events creates a regulatory compliance cost, establishing a cycle where regulatory costs can drive the very failures they are meant to prevent. Ultimately, this dynamic detriments market competition and reduces consumer choice.

Effective regulation is essential for market stability and customer trust. The objective of this report is therefore not to argue for less regulation, but for **better regulation** – an approach that is right-sized, targeted, and coordinated. By analysing these structural impacts, this report identifies practical opportunities to remove duplication and modernise the regulatory toolkit, sustaining strong safeguards while improving productivity in a sector that underpins household and business resilience.

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[6] Estimates of Industry Multifactor Productivity, ABS (January 2025)

[7] Creating a more dynamic and resilient economy, Productivity Commission (September 2025)

[8] In Depth – Drivers and Implications of Lower Productivity Growth, RBA (August 2025)

3. The Australian Regulatory Landscape for General Insurers

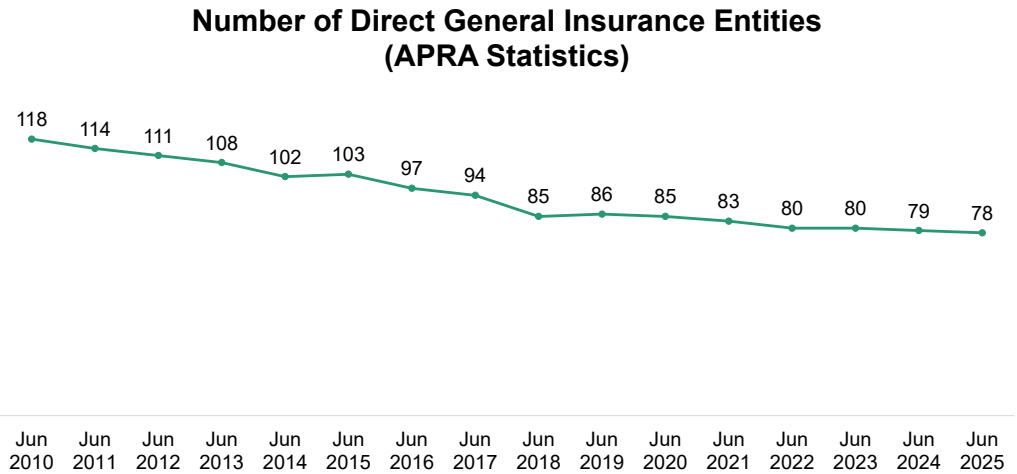
The cumulative impact of the regulatory framework creates operational complexity that is greater than the sum of its individual parts.

General insurers operate under the oversight of more than 25 regulators at federal, state, and territory levels, who enforce over 300 regulatory instruments that create more than 30,000 discrete obligations. In addition, speciality insurers would be subject to extra regulators, regulatory instruments and obligations. For example medical indemnity insurers are bound by the *Medical Indemnity Act 2002* and Medicare legislation, subjecting them to oversight from additional bodies like the Department of Health and the Australian Health Practitioner Regulation Agency.

These obligations are distributed across the entire insurance value chain – from product development to claims settlement – and are embedded within foundational pillars of prudential management, governance, and operational resilience. The regulatory landscape encompasses not only core insurance-specific rules but also a wide range of broader business laws peripheral to the function of insurance, which adds to the overall complexity. This is particularly felt by insurers operating across a broader value chain and various jurisdictions. For instance, managing a complex motor vehicle write-off can engage overlapping state-based motor and CTP scheme requirements, while simultaneously attracting federal financial services obligations (including claims handling as a financial service) and duties under the GI Code.

While Australia's general insurers are committed to operating within a regulatory framework that protects customers and ensures a competitive industry, this occurs in a consolidating market, emphasising the need for regulation that promotes a dynamic and competitive general insurance industry. As Figure 1 shows, the number of direct general insurance entities has declined from 118 to 78 since 2010.

Figure 1: Number of direct general insurance entities (June 2010 to June 2025)[9]



The cumulative effect of ongoing legislative change has created a framework of considerable complexity. Administered by numerous bodies with their own mandates, the resulting obligations are often duplicative, overlapping and / or contain inconsistencies that creates uncertainty and forces insurers to navigate grey areas. This complexity imposes a significant administrative load that is increasingly focused on procedural requirements rather than customer outcomes.

[9] Quarterly general insurance performance statistics, APRA (December 2002 - June 2023, September 2023 to June 2025)

The diagram below provides a visual summary of this environment, including a non-exhaustive list of example regulations and regulators to illustrate how obligations for general insurers are distributed across the insurance value chain. Other corporate regulation such as mandatory climate reporting and competition law may also touch multiple parts of the insurance value chain. For instance, sustainability reporting under the *Corporations Act 2001 (s336A)* in line with AASB S2 Climate-related Disclosures require disclosures relating to product development, underwriting, prudential & financial management and governance, risk & accountability.

Figure 2: Summary of regulators, regulations and obligations touching general insurers in Australia

25+ regulators / governing bodies

300+ regulations / instruments*

30,000+ obligations

Example Regulators

Federal

Australian Government · ASIC · APRA · ACCC · Australian Government AUSTRAC · OAIC · ACSC Australian Cyber Security Centre · Cyber and Infrastructure Security Centre · acma · Australian Human Rights Commission · Fair Work Commission

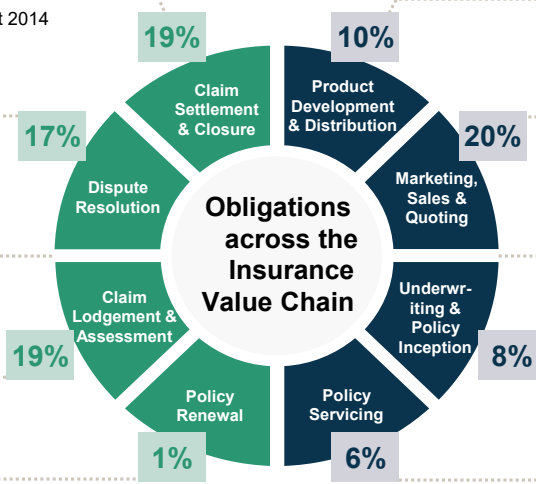
Governing bodies

afca Australian Financial Complaints Authority · GG

State regulators

WorkSafe · NSW State Insurance Regulatory Authority · WorkSafe ACT · MAIC Motor Accident Insurance Commission · MAIB · NT WorkSafe · ReturnToWorkSA · Insurance Commission of Western Australia

Example Regulations by Value Chain Stage (Non-exhaustive)



- Lifetime Care and Support (Catastrophic Injuries) Act 2014
- Return to Work Act 2014
- Safety, Rehabilitation and Compensation Act 1988
- Corporations Act (Claims Handling)

- Product Disclosure Statement (PDS) Requirements – Corporations Act, RG 168 Disclosure
- Design and Distribution Obligations (DDO); RG 274 Product design and distribution
- Unfair Contract Terms Provisions

- RG 267 Oversight of the Australian Financial Complaints Authority
- RG 271 Internal Dispute Resolution
- RG 277 Consumer remediation
- Australian Financial Complaints Authority Act 2017
- AFCA Rules and operating guidelines

- Competition and Consumer Act 2010 (Australian Consumer Law)
- Do Not Call Register Act 2006
- Spam Act 2003
- Fair Trading Act 1987
- 10 ASIC Guides (e.g., RG 38 The Hawking Prohibition)

- Insurance Contracts Act 1984
- SIRA Requirements
- Evidence Acts (each state)
- Surveillance Devices Acts (each state)

- Age Discrimination Act 2004
- Disability Discrimination Act 1992
- Racial Discrimination Act 1975
- Sex Discrimination Act 1984

- Motor Accident Injuries Act 2019
- Motor Accident Injuries Act 2017
- RG 168 Disclosure PDS

- Electronic Transactions Acts (each state)
- RG 221 Facilitating digital financial services disclosures
- Insurance Contracts Act 1984 (e.g., cancellations, refunds)
- Privacy Act 1988/APPs (e.g., direct debit/billing)

Note: Members of the ICA are required to subscribe to the GICOP, which applies to all the above insurance value chain stages.

Key: % = percentage of obligations in each stage (excl. cross-value chain pillars)

Cross-value Chain Pillars

66% of obligations analysed relate to cross-value chain pillars

14%

Prudential & Financial Management

- APRA Prudential Standards and Guides (GPS, GRS, CPS, 3PS Series)
- State & Territory Prudential Oversight (e.g., SIRA, MAIC)
- ASIC Regulatory Guides (e.g. RG 247)
- Australian Accounting Standards (AASB 17 Insurance Contracts, AASB 9 Financial Instruments, AASB S2 Climate-related Disclosures)

38%

Governance, Risk & Accountability

- Corporations Act 2001
- ASIC Act 2001
- Financial Accountability Regime (FAR)
- AML and Counter-Terrorism Financing Act 2006
- APRA Standards and Guides (e.g., CPS 510 & CPS 220)
- ASIC Regulatory Guides (e.g., RG 78, RG 36, RG 121)

14%

Technology, Data & Operational Resilience

- APRA Standards and Guides (e.g., CPS 230, CPS 234)
- Financial Sector (Collection of Data) Act 2001
- Privacy Act 1988 (including Notifiable Data Breaches scheme)
- Security of Critical Infrastructure Act 2018 (SOCI)

Note: Refer to Appendix D (Regulation Catalogue) for regulations impacting general insurers in Australia. We have not included all state-based regulatory variants (such as Public Trustee Acts, Professional Standards Acts, Strata Title Acts, Environmental Protection Acts, and Building and Construction Industry Payment Acts) that exist across multiple jurisdictions with similar objectives. Additionally, our analysis excludes ~130 baseline or "general public benefit" regulations (such as the Racial Discrimination Act 1975) that represent baseline compliance obligations applying universally across all industries. This results in 20,000+ obligations which form the basis of the analysis presented in Section 4.

4. The Scale and Impact of Regulatory Complexity

Our findings demonstrate that while individual regulations are designed with a purpose to ensure effective functioning of the industry, their cumulative effect can lead to inefficient processes and duplicated effort which in turn results in costs which outweigh the intended benefits of the regulation. The goal is to collaborate on modernising the framework to be more **streamlined, risk-proportionate**, and **outcomes-focused**, for the benefit of both the industry and the customers it serves.

In this section of the report, we provide an analysis of regulatory costs and productivity impacts to insurers and customers, structured in two interconnected sections:

- A **quantitative analysis** that provides a data-driven model to estimate the potential industry-wide **cost of compliance**. This analysis examines the **more than 20,000+ regulatory obligations** (which excludes ~130 baseline regulations as noted under Figure 2) to quantify their cumulative financial impact.
- A **qualitative analysis** that brings these costs to life by identifying the specific 'hotspots' of operational friction. Using direct case study feedback from insurers, this section explores the real-world impact of these obligations and illustrates *how* and *why* they create inefficiencies and divert resources.

4.1. Quantitative analysis

The quantifiable regulatory cost to insurers is estimated to **be $2.5-$3.5 billion**, equating to approximately **4-6%** of a customer's annual premium for retail products

Costs are concentrated in regulatory reporting and data handling, claims handling, sales and distribution and breach reporting indicating opportunities to reduce costs through **targeted regulatory streamlining**

Indirect costs are difficult to quantify; however**, cumulative cost of regulations can be significant** creating suboptimal allocation of capital, which may otherwise be deployed in higher growth avenues

4.1.1. Approach

Our assessment, informed by literature review, general insurance industry data and member conversations, sets out the scale, composition, and impacts of the regulatory costs on productivity and to customers.

At a high level, we have utilised the Regulatory Burden Management Framework[10] which provides a consistent definition of regulatory cost inclusions and exclusions. The framework segments regulatory costs into two categories:

- **Direct regulatory costs**: These are further classified into **administrative costs** (costs incurred by regulated entities to demonstrate compliance with policies) and **substantive compliance costs** (costs incurred to deliver the outcomes being sought).
- **Indirect regulatory compliance costs:** These include opportunity costs, non-compliance, enforcement costs, implied costs arising from changes to market structure and competition, as well as direct financial costs (government charges, taxes). As these costs can be difficult to quantify due

[10] Regulatory Burden Measurement Framework, Australian Government (February 2024)

to absence of publicly available data, motion studies and the contingent nature of costs, we illustrate the cost impact through a compendium of case studies.

Given comprehensive compliance cost estimates are sparsely available and predominantly anecdotal in nature; our cost estimates are informed by literature review, global analogous studies and member inputs. The purpose of the cost estimate to provide a scale of the regulatory burden on general insurers through a top-down assessment methodology *(Appendix B)*. To establish a top-down cost estimate we leverage the range estimates (captured as compliance cost as % of Gross written premium) and apply the estimates on the relative size of Australian general insurance volumes. These inputs include:

- **Macro-economic studies –** Past research on stocktake of Federal regulation revealed a regulatory footprint of 85K+ regulations with an estimated regulatory cost impact at about 4.2% of GDP[11]. Similarly, Mercatus study on cumulative impact of regulation on economic growth across 22 industries between 1977 and 2012 estimated an average reduction of 0.8% of growth rate translating to $4 trillion GDP impact in 2012[12].
- **Global studies –** Research commissioned by the British Insurance Brokers' Association (BIBA) and undertaken by London Economics[13] estimated regulatory cost at 5.2% of insurance premiums. While the insurance sector and the regulatory landscape are distinct across geographies, they provide preliminary insight into the scale of the regulatory cost burden.
- **Member conversations –** It is estimated that compliance costs have increased by ~10 - 15% over the past 3 years. Internal estimates that capture costs of high resource intensive regulatory changes in the past 3 years indicated an additional $1.5m extra per year to absorb additional compliance cost impacts above BAU (Business as Usual) resources.

Details of the methodology used to estimate the regulatory costs have been included in Appendix B.

[11] Deregulation Reform Discussion Paper, Parliament of Australia (November 2012)

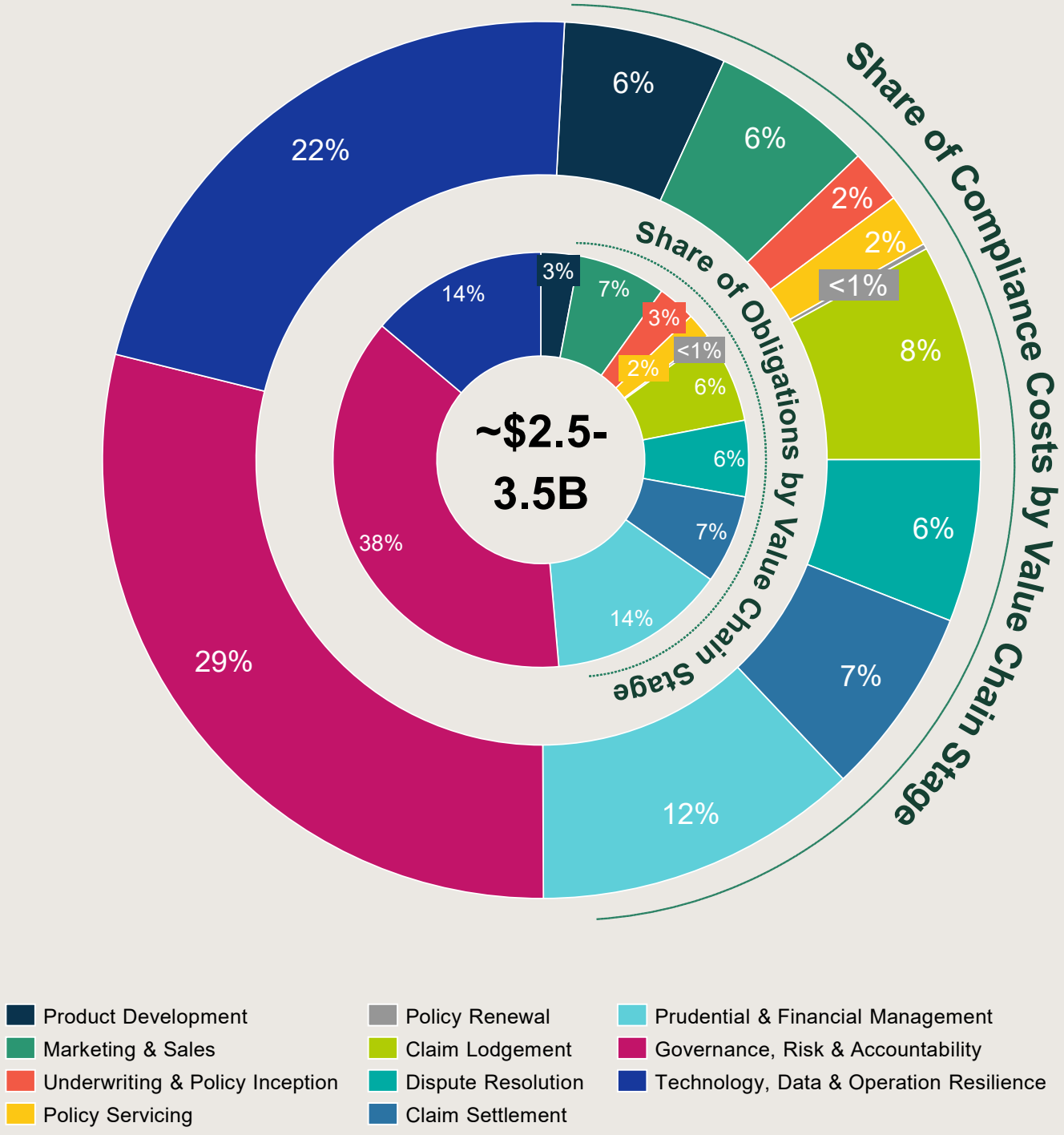
[12] The Cumulative Cost of Regulations, Mercatus Center (April 2016)

[13] British Insurance Broker Association, London Economics (May 2025)

4.1.2. Cost breakdown

The gross written premium of the direct general insurance products in Australia is estimated at approximately $70 billion. In terms of policy count, there are more than 87 million policies[14] written across direct lines of business (i.e. excludes reinsurance lines). Our top-down estimates indicate that the regulatory cost for insurers in the range of $2.5-3.5 billion. Within an insurer's cost base, this would cumulatively represent the significant cost component after claims, acquisition and reinsurance costs.

Figure 3: Distribution of obligations and compliance costs across General Insurer value chain stages (Obligation share - % of obligations within value chain stages; Cost share - % of costs within value chain stages)

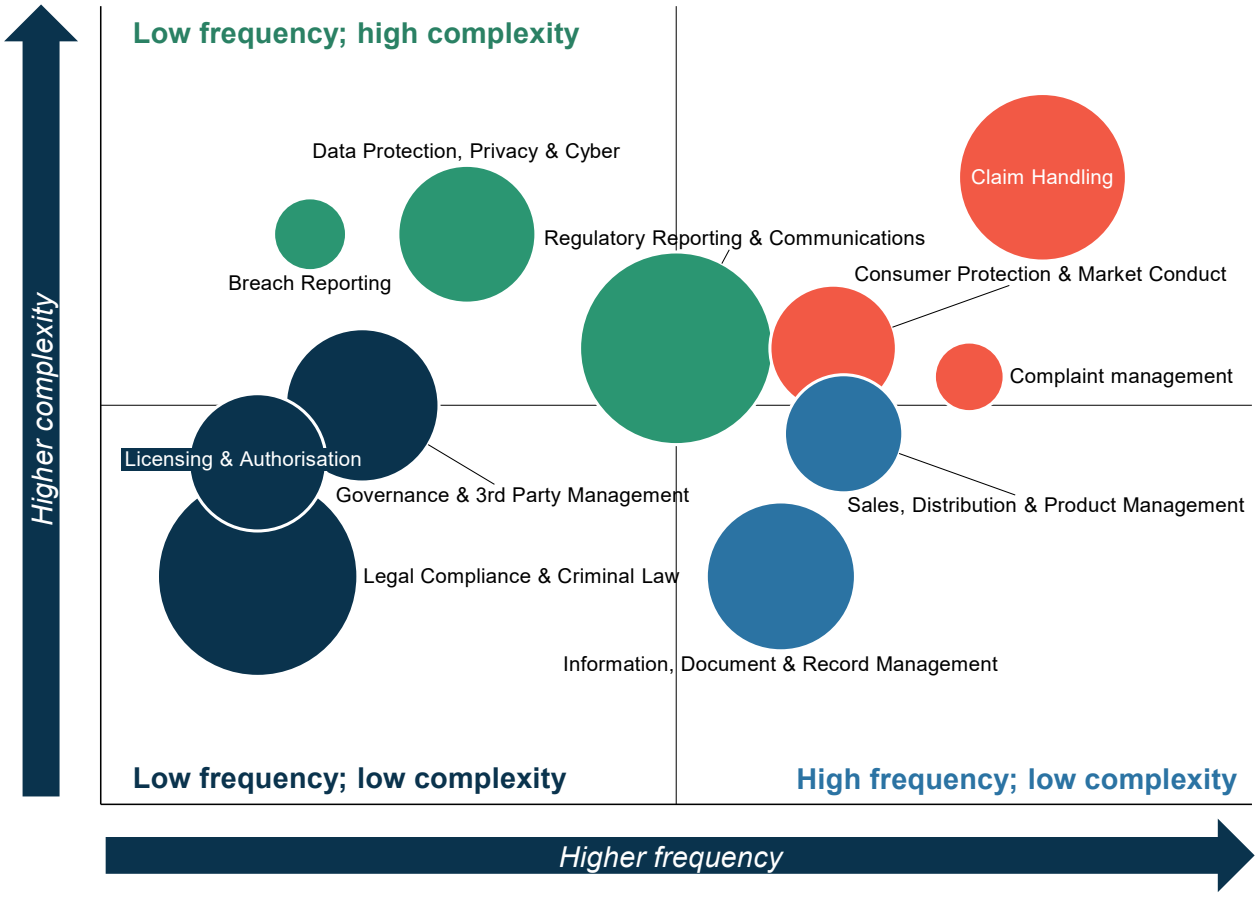


[14] Quarterly general insurance performance statistics database, APRA (June 2022 - June 2025)

Dispute Resolution, Claim Lodgement and Settlement value chain stages incur the highest compliance costs. However, owing to the centralised nature of regulatory requirements, nearly two-thirds of obligations are driven by centralised activities under Prudential and Financial Management, Governance and Technology related regulatory requirements.

Based on the number of obligations and the relative frequency and effort related to various obligation categories across the value chain stages, a clearer picture of regulatory cost hotspots emerges.

Figure 4: Segmentation of regulatory obligation categories across frequency-complexity matrix



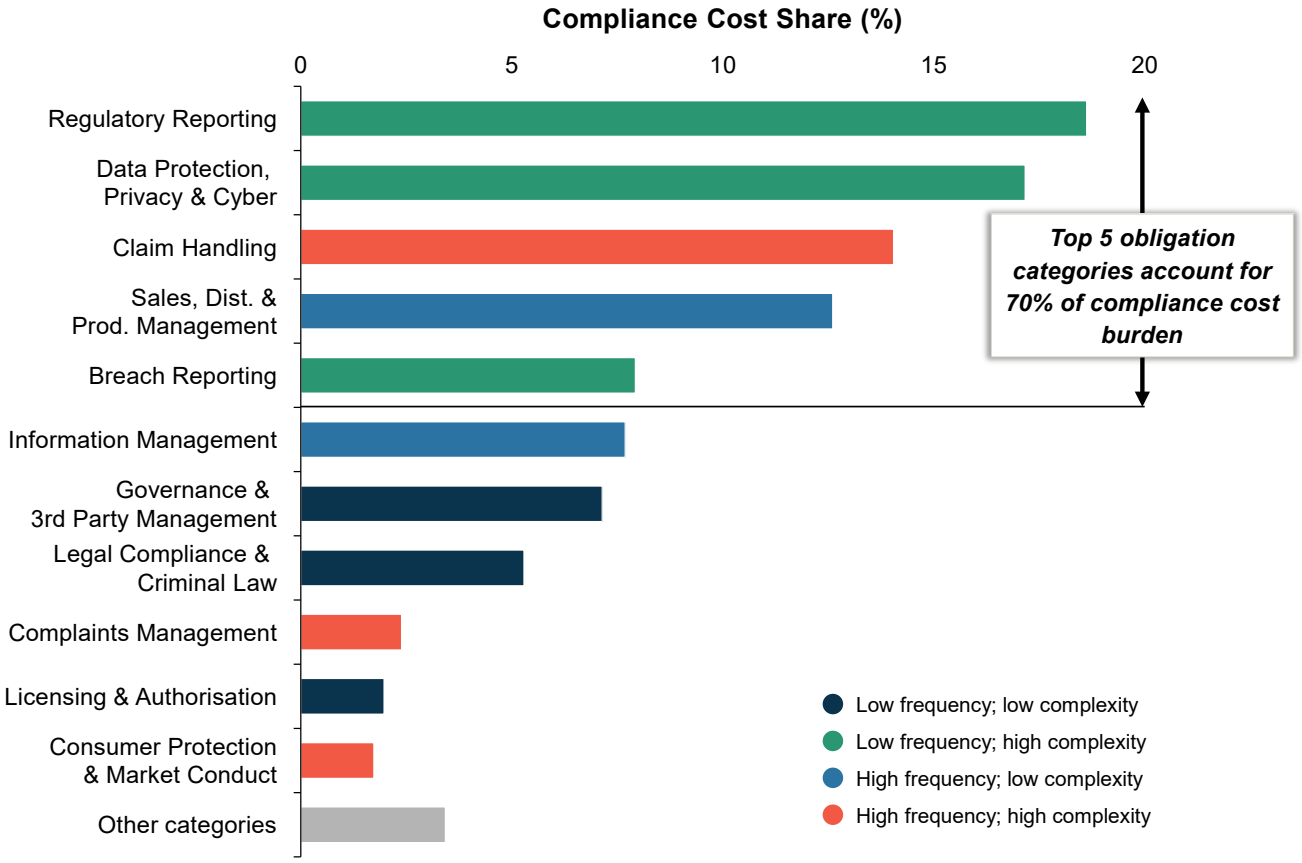
***Note**: The size of bubbles represents the number of obligations pertaining to each obligation category*

We note that various corporate law obligations that apply may be considered to be the baseline for all organisations, such as listing rules, income tax obligations and remuneration requirements. These are not included in the quantitative cost analysis.

Combining these three key dimensions, our assessment indicates that the top five obligation categories cumulatively account for a major share of compliance costs. This means that targeted efforts to meaningfully reform and streamline regulation in these areas could have a significant impact on compliance costs and improve productivity.

The financial cost of compliance, as illustrated in the Figure 5 below, is driven by both the volume and nature of regulatory obligations.

Figure 5: Estimated distribution of compliance costs by obligation categories



***Note**: Other categories include: Consumer Testing and Outcomes, Enterprise Risk Management, Compliance Monitoring, Mandatory Training, Operational Risk & Business Continuity, Due Diligence & Verification and Capital, Solvency & Financial Management*

For example, the significant cost share of regulatory reporting is exacerbated by workload volatility. Beyond routine activities, insurers face frequent, unplanned ad-hoc inquiries from multiple regulators concerning a single event. These requests, often uncoordinated and issued at short notice, demand the same rigour as planned reporting but create disproportionately high costs and divert key personnel from core duties. This challenge is internationally recognised. The EU is exploring ways to reduce insurers' reporting costs by 25% to help smooth out these workload spikes[15]. Similarly, albeit in a different sector of financial services, the UK PRA has taken tangible steps in proposing to delete routine reporting templates that are no longer necessary and/or not considered necessary because they are already available elsewhere or do not support its work[16].

Compliance costs are amplified where central efforts to design and monitor frameworks coincide with execution by frontline staff, creating a dual regulatory cost. This is particularly evident in areas such as claims handling, breach reporting, and complaints management which require significant central investment in technology frameworks, specialised teams, and monitoring capabilities to manage processes and drive positive consumer outcomes. However, these central efforts often collide with the constant compliance workload on the frontline, where rigid regulatory requirements such as strict response timelines and detailed reporting mandates create operational frictions. For example, managing over 65,000 breach reports and over 15,000 complaints annually involve intensive, time-sensitive manual processes. Simpler, streamlined and more interpretable regulation can play a role in enabling the use of technology to improve productivity for insurers and outcomes for consumers.

Case studies that follow below illustrate how regulatory change can impose significant indirect costs. New rules frequently necessitate major system updates and capital-intensive projects on compressed timelines. As insurers' investment budgets are finite, every dollar diverted to mandatory compliance projects is a dollar not available for enhancing customer value and outcomes, whether through premium reductions, product

[15] A Competitiveness Compass for the EU, European Commission (January 2025)

[16] Future of banking data review: Deletion of banking reporting templates (September 2025)

innovation, or expanding coverage to address customer needs. This highlights the need for regulators to more robustly measure the intended benefits of proposed changes against the costs they introduce, including implementation costs. Regulatory complexity also adds workload for government regulators and enforcement agencies, and the costs of this oversight ultimately filter back to industry (and customers) through various levies and fees. As a sector with a very clear social purpose, meeting its obligations and maintaining a social licence to operate will always weigh into discretionary capital allocation decisions.

4.2. Qualitative analysis

Indirect costs of regulation are difficult to quantify. However, qualitative case studies show they are often associated with significant administrative effort and opportunity costs.

We analysed 20,000+ obligations individual obligations across 200+ regulations, excluding approx. 130 regulations that were considered to be the baseline for organisations (as noted under Figure 2). These obligations span financial and corporate regulatory instruments, state schemes, regulatory guides and other non-financial instruments. An analysis of these applicable regulatory obligations, supported by real-world case studies, identified several ways the current regulatory framework creates a significant operational load on general insurers.

4.2.1. Prescriptive rules drive operational inefficiency

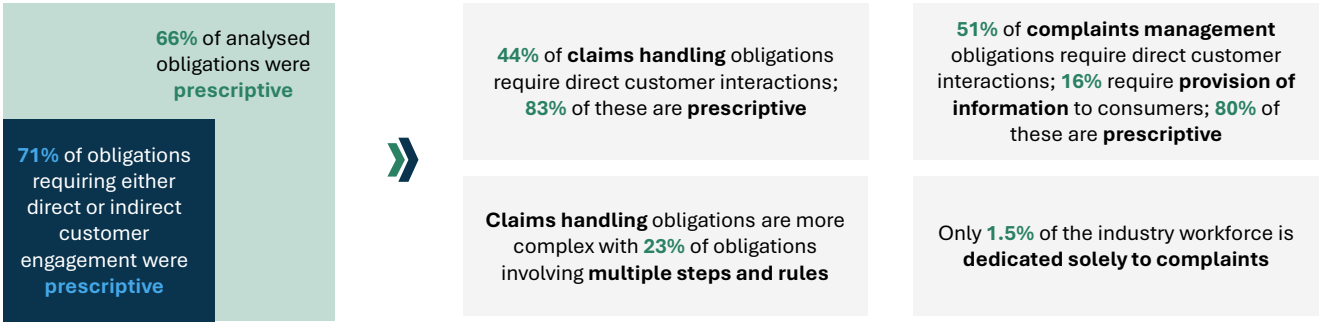
Linked Improvement Opportunity

1 2 **3** 4 5

A core function of insurance is to provide timely and effective support to customers. However, customer-facing operations (sales, service, claims, and complaints) must comply with a significant number of obligations which are in the form of step-by-step rules.

Insurers observed that while regulatory texts often state clear principles, these are frequently accompanied by a significant number of prescriptive obligations[17], found more often in customer facing areas, that focus on inputs rather than outcomes, with benefits that are often unclear or unmeasurable against their costs.

Figure 6: Prescriptive regulations are found more often in customer facing operations



Of the obligations analysed, 66% are prescriptive. This figure rises to 71% for obligations requiring direct or indirect customer engagement. This high degree of prescription is concentrated in two key areas:

- **Claims Handling:** 83% of obligations requiring direct customer interaction are prescriptive. Of all claim's obligations, 23% mandate multiple, rigid steps that must be followed sequentially. This process-heavy approach creates operational friction and can slow claim resolution in instances where the objective of an insured is to be settled quickly as possible to allow them to move on from the event that has triggered the claim.
- **Complaints Management:** 80% of complaints management obligations involving direct customer contact are prescriptive which, again, prescribe rigid steps that must be followed sequentially. This

[17] Example of a prescriptive obligation: *The title "Cash Settlement Fact Sheet" must be used on the cover of, or at or near the front of, a Cash Settlement Fact Sheet. (Corporations Act s948E (1))*

process-heavy approach creates operational friction and can slow complaint resolution which can be at odds with the intent of the obligations – to resolve complaints fairly and as quickly as possible.

This over-reliance on prescription can result in a focus on procedural compliance rather than achieving the intended outcome of fair and efficient service. While designed to ensure consistency, these rigid rules can create bottlenecks that slow down communication, payment, and overall resolution. For example, during high-volume claim periods, such as after a natural disaster, the requirement to step-by-step procedures for thousands of individual claims inevitably creates backlogs and customer frustration at the worst possible time.

Additional analysis of four key consumer-centric activities across the relevant national and state regulators highlights the extent of prescriptive regulation currently in-force:

Figure 7: Prescriptiveness of regulations in consumer-centric activities – federal vs state

	Level of Prescriptiveness (by % of obligations)	
Key Consumer-Centric Activities	Federal regulators	State-based regulators
Claim Handling	51%	79%
Consumer Protection & Market Conduct	46%	80%
Complaints Management	68%	86%
Sales, Distribution & Product Management	52%	74%

Prescriptive obligations, in practice, specify levels of operational workload and have resulted in a one size fits all approach with minimal ability to apply the principles of proportionality and do not appear to deliver commensurate benefit to the end customer for the costs incurred.

Case studies show that requirements like the cash-settlement factsheet (*Case Study I: The Cash Settlement Factsheet*) and the broad definition of a "complaint" (*Case Study II: Complaint Management*) can slow down service and payment to customers, even for straightforward issues.

Case Study I: The Cash-Settlement Factsheet

The requirement for a *Cash-Settlement Factsheet (s948 of the Corporations Act 2001)* is an example of a well-intentioned policy that generates additional compliance effort for limited customer benefit.

The obligation applies to all cash settlements, including small, straightforward or emergency payments (which do not meet ASIC's criteria for relief in *ASIC Corporations (Amendment) Instrument 2024/883*[18]) where the risk of customer misunderstanding is low, for example a cash settlement for contents allowing the customer to replace damaged clothing, or a mobile phone. Insurers report that generating and delivering the factsheet, followed by obtaining written customer acknowledgement, involves several administrative steps. For customers who are simply seeking a quick payment, this process can be confusing, trigger unnecessary follow-up calls, and create delays at the point of settlement.

Critically, the compliance risk is disproportionate to the potential for consumer harm. A minor administrative error (which does not meet ASIC's criteria for licensees under the reportable situations regime[19]) on the factsheet can constitute a reportable breach, forcing insurers to dedicate resources to achieving procedural perfection. This priority conflicts directly with the speed and simplicity that customers expect and need during a settlement.

[18] The relief applies in limited circumstances where the consumer has expressly instructed the insurer or its representative that they need immediate financial assistance, the verbal cash settlement offer has been made within 42 days of the insurable event that is the subject of the claim, and the cash payment (together with any additional immediate cash payments under the same claim) does not exceed $5,000.

[19] ASIC gives further relief for licensees under the reportable situations regime (27 June 2025)

Case Study II: Complaint Management

The expanded definition of a "complaint" in *ASIC's Regulatory Guide 271* has created a significant administrative load for insurers with limited benefit for identifying systemic issues. Insurers face a strategic trade-off between investing in upfront product and service design versus managing complaints downstream. However, this decision is constrained by the frictional costs of regulatory compliance, which divert technology budgets toward administrative processes, making the current framework's burden appear disproportionate to the intended outcomes.

Under the guide, any "expression of dissatisfaction" – such as a general administrative comment about phone wait times – must be formally logged and managed through the internal dispute resolution (IDR) system. In practice, this means that insurers cannot exercise discretion based on the immediate context and individual circumstances to demonstrate compliance with content requirements under the IDR. This has prompted investment in new systems and training to capture vast volumes of feedback that is more general in nature. The productivity impact falls heavily on frontline staff, who must now spend more time documenting interactions rather than proactively resolving issues.

While ASIC has acknowledged challenges with IDR implementation (REP 768, REP 802) and recommended firms dedicate more resources to complaints handling, this approach risks increasing operational costs without addressing the underlying process inefficiency. Furthermore, member feedback suggests that with firms reporting complaints data through different operational channels, the resulting data on reportable situations is less useful for regulatory oversight, meaning some entities may appear to be underreporting or overreporting when this can simply reflect differing levels of maturity (e.g. staff training and approach to operationalisation) in identification. This blurs the data, making it harder for both insurers and regulators to distinguish serious, systemic problems from minor, one-off expressions of dissatisfaction. The result is a high-cost, high-volume process that can obscure, rather than illuminate, the issues that truly matter to consumers.

The breach reporting regime is another area where a highly prescriptive process creates significant administrative costs that are disproportionate to the consumer benefit (*Case Study III: Breach Reporting*).

Case Study III: Breach Reporting

The breach reporting regime under *ASIC's RG 78* demonstrates the impact of prescriptive process. The regime requires insurers to determine if a breach of a 'core obligation' is 'significant' – and therefore reportable. This is not a simple check; it involves a **complex and subjective assessment** requiring considerable legal interpretation and judgment. Following recent reforms, the lowered thresholds now mean this difficult assessment must be applied even to technical or immaterial breaches, including those with a $0 customer impact.

This creates practical challenges. For example, industry stakeholders report being required to remediate immaterial detriments, such as refunding one cent, where the administrative cost exceeds the consumer benefit. Even the $5 de minimis rule, intended to allow insurers to waive trivial refunds, proves operationally ineffective. To apply the rule, an insurer must first attempt payment and document the process – an effort that can cost more than the refund itself.

The ambiguity inherent in assessing 'significance' for minor issues drives insurers to over-report out of caution, generating large volumes of low-value reports. Consequently, skilled compliance teams are occupied with documenting minor incidents rather than preventing material problems. This over-reporting not only results in increased costs and burden but more critically may obscure for regulators the more significant or systemic risks or issues. A holistic review would be beneficial to ensure the breach reporting regime remains meaningful, proportionate and focused on outcomes that protect customers and the integrity of the financial system. ASIC's *Regulatory Simplification Report (REP813)* highlights where "[ASIC] receive large volume of reports about one-off and trivial matters that are of limited regulatory value" and the "primary driver of burden is the need to investigate, gather information, and get assurance before reporting to ASIC, rather than just making the data entry itself." ASIC's relief and initiatives in reporting misleading and deceptive conduct breaches may be extended to other breach incidents under similar principles of materiality and financial loss incurred by a customer.

This administrative impact not only diverts resources from improving products and services but also add noise to breach data that regulators must filter through – both creating a cost that is ultimately borne by policyholders.

4.2.2. Regulatory overlap increases complexity

Linked Improvement Opportunity
1 2 3 4 5

Effective and dynamic industries that support national productivity are strengthened when they rely on nationally coordinated and harmonised regulatory obligations. However, Australia's financial services regulatory framework, which involves multiple agencies overseeing similar areas of conduct and risk, has not evolved in step with the economy it governs. While regulators may have specific remits, the advancement of technology and integrated economic ecosystems has not been mirrored by more coordinated regulatory frameworks.

This structural misalignment is reinforced by the narrow focus of regulatory mandates. As the Productivity Commission noted in its 2018 report Competition in the Australian Financial System, competition does not play a central role in the design of financial services regulation. Consequently, regulators are primarily incentivised to focus on their specific statutory remit, meaning broader impacts on productivity, innovation, and competition are often secondary consideration.

This creates overlapping and sometimes conflicting obligations. Insurers must consequently comply with different rules from various regulators for the same underlying event, leading to increased compliance costs and the diversion of internal resources from core business functions and customer support.

Analysis shows immediate productivity improvements are achievable. The solution requires consolidating, deduplicating, and simplifying all obligations for a given thematic area into a single, consistent set of rules. This should be supported by a common incident reporting portal for the industry, which can be accessed by all relevant regulators to ensure oversight is maintained while eliminating redundant compliance requirements.

Figure 8: Multiple regulators govern similar topics creating duplicative or inconsistent obligations

Regulator / Governing Agency	Consumer vulnerability	Sales & distribution	Information security / privacy notifications	Complaints management	Claims management
ACCC	x				x
ASIC	x	x	x	x	x
APRA	x		x		x
Code Governance Committee (GICOP)	x	x	x	x	x
AUSTRAC			x		
OAIC			x	x	x
AFCA	x			x	x
Other National Regulator or Agency			x		
States & Territories					
Consumer Protection Agencies	x				
Scheme Requirements			x	x	x
Information, data, privacy			x		x

More details of duplication areas across each of the above 5 obligation categories analysed can be found in Appendix C. The example case studies in this report illustrate where overlapping rules can create duplicative work.

A. Notifications and breach reporting

A single operational event can trigger parallel notification duties to numerous regulators. The process requires insurers to conduct multiple, separate legal and compliance assessments for the same incident, as each regulator operates with its own definitions, reporting thresholds, and timelines. A single privacy breach is a clear example of this duplication in practice (*Case Study IV: Privacy Breach Reporting Duplication*).

Case Study IV: Privacy Breach Reporting Duplication

A single data breach – such as a misdirected email containing low-risk customer information – illustrates this issue. An insurer must assess its reporting obligations to multiple bodies, including:

- The OAIC under the *Notifiable Data Breaches scheme*
- APRA under *Prudential Standards CPS234 (Information Security)* and *CPS 230 (Operational Risk Management)*
- ASIC under *RG 78 (Breach Reporting)*
- The Code Governance Committee (CGC) under the *General Insurance Code of Practice*

Teams must manage different timelines, evaluate the same incident multiple times against each of the regulatory regimes (because they each have a different definition and/or notification criteria) – such as notifying APRA within **72 hours** while having **30 days** for ASIC and the OAIC – and repackage the same incident details for each regulator.

This duplication extends beyond the initial notification. In the post-incident phase, insurers are also required to conduct separate reviews, document remediation programs, and implement control uplifts to satisfy the similar-yet-distinct governance requirements of each body.

Ultimately, the process shifts an insurer's focus away from delivering **one adequate response** to the **single customer affected**, and towards satisfying the disparate administrative demands of multiple regulators. This fragments the recovery effort and diverts critical resources from the primary goal of harm prevention.

Duplication areas	OAIC (Notifiable Data Breach Scheme)	APRA (CPS 234 / CPS 230)	ASIC (RG 78)
Regulator Notification	**Notify OAIC & Individuals (if applicable)** *NDBS (expanding on Privacy Act 1988 Part IIIC – Div 3)* **Use OAIC Notifiable Data Breach form** to submit notification and relevant details of the breach and notification template to be used to notify affected individuals **Timeline**: Notify affected individuals and the Commissioner as soon as practicable	**Notify APRA** *CPS 234 Para. 35 & 36, CPS 230 Para. 42* Use **APRA electronic forms** to submit within appropriate timeframes **Timelines**: • Material incidents: ASAP no later than 72 hours • Material control weakness: No later than 10 business days • Critical operations disruptions: CPS 230 override requires that in the event of BCP activation, notification should be no later than 24 hours	**Notify ASIC** *Corporations Act 2001 s912DAA, RG 78.83, RG78.96 – RG78.104* Notify ASIC of **reportable situations via ASIC portal**. Maintain ability to provide updates if new information emerges **Timeline**: Notify ASIC within 30 days
Assessment and post-incident governance	• An entity must take all reasonable steps to complete the assessment within 30 calendar days • Review the incident and take steps to prevent a recurrence (demonstrate compliance under APP 1.2 and APP 11.1)	Data breaches can trigger activities including: • Post-incident review • Internal audit review • "Timely" rectification of information security control weaknesses	• If an investigation into significant (or likely significant) breaches lasts more than 60 days, the investigation itself becomes a reportable situation and must be reported within 30 days (after the 60th day has passed) • Principle-based obligation on timely and prompt remediation

Case Study IV: Privacy Breach Reporting Duplication

			(*RG 78.120*, stemming from *s912DAA(1)(b)* of the *Corporations Act*)

Note also: *Part IIIC* of the *Privacy Act 1988* has extended applications under the *Competition and Consumer Act 2010 (regulated by ACCC) – Section 56ES* – extending breach notification obligations of CDR (consumer data right) data to accredited data recipients and designated gateways.

If the nature of the incident included in the case study was modified slightly such that it required consideration of the *Security of Critical Infrastructure Act 2018 (SOCI Act)*, then this Act requires additional reporting obligations to be considered beyond those already referenced in the case study with even shorter timeframes (as little as 12 hours). There would be a clear economy wide benefit of harmonising notification obligations such that they are consistent across all interested regulators, can be performed once and reported once through a mechanism that was accessible to all regulators.

In addition to the workload detailed above, insurers report a lack of substantive feedback on many of the notifications submitted. The high volume of instances reported, particularly to ASIC, often receive no direct response, creating the perception of a "regulatory black hole." This absence of a supervisory feedback loop leads to the view that the reporting effort is a data collection exercise rather than a mechanism for generating supervisory action or improving risk management practices.

B. Regulatory overlap in claims and complaints handling

The reclassification of claims handling as a "financial service" is an example of how regulatory layering creates inefficiency. This change means insurers must now manage concurrent obligations from multiple frameworks for the same activity:

- The duty of utmost good faith under the *Insurance Contracts Act 1984 (s13)*.
- The obligation to act "efficiently, honestly, and fairly" under the *Corporations Act 2001 (s912A(1)(a))*.
- Specific Australian Financial Services Licence (AFSL) requirements for systems, competence, and disclosure (e.g., Statement of Claim Settlement Options).
- Prescriptive timeframes, communication and supplier requirements from industry codes.

This duplication requires insurers to run parallel controls, training, and assurance programs to satisfy different frameworks that aim for the same customer outcome.

This complexity is compounded by the interaction of claims handling (as a financial service) with the fragmented complaints handling ecosystem. This ecosystem is split across two regimes with different requirements:

- **Internal Dispute Resolution (IDR):** Governed by *ASIC's Regulatory Guide 271 (RG 271)*.
- **External Dispute Resolution (EDR):** Managed through the Australian Financial Complaints Authority (AFCA) scheme.

Each regime operates with different timelines, data formats, and evidence standards. As a result, a single customer issue in claims can trigger parallel obligations under the various claims handling rules and separate administrative streams within the complaints system. This fragments records and increases handling costs.

Furthermore, the separate remits of the regulators and the EDR scheme can create conflicting expectations. An insurer may face differing views from ASIC on a systemic issue compared to AFCA's approach to an individual dispute arising from that same issue. This combination of overlapping regulations and fragmented dispute processes ultimately increases costs and can delay resolutions for consumers.

C. Sales conduct

The regulation of insurance sales conduct is fragmented. Multiple, overlapping regimes govern the same sales function, forcing an insurer to satisfy parallel compliance streams for a single transaction. For any given sale, an insurer must simultaneously comply with:

- *Anti-hawking rules (Corporations Act s992A, ASIC RG 38)*
- *The deferred sales model (ASIC RG 275)*
- *Design and Distribution Obligations (DDO) (ASIC RG 274)*
- *The General Insurance Code of Practice (GICOP)*
- *Standard corporate compliance (e.g. Corporations Act 2001 s1041H Misleading or deceptive conduct, ASIC Act 2001 12DA Misleading or deceptive conduct)*

Although these regimes were designed in isolation, they create a complex web of overlapping procedural requirements. This situation serves as an example of the broader legislative problem the ALRC described as a "tangled mess." The result is that an insurer's focus can shift from the customer outcome to satisfying multiple, overlapping obligations.

The Anti-hawking provisions provide an example of how this complexity can reduce productivity and create unintended customer outcomes (*Case Study V: Anti-hawking provisions*).

Case Study V: Anti-hawking provisions

The anti-hawking rules under *Corporations Act 2001 s992A and RG 38 The hawking prohibition* ban unsolicited, real-time offers of financial products to retail clients without clear, positive, and voluntary consent. They apply to calls, face-to-face, instant messaging, and chat-bots. Providing a quote also counts as an "offer."

For example, a customer insures a car with a towbar and mentions they have a boat and trailer. The insurer may give factual information but cannot offer boat insurance or provide a quote unless the customer clearly asks. Otherwise, the interaction must shift to non-real-time follow-up (e.g., an email link) for the customer to self-initiate. This adds steps and increases the chance cover is delayed or not bought. Insurers often report that this can create customer frustrations as customers may expect insurers to offer a quote, despite them not being able to.

In practice, this has led to:

- Fewer on-the-spot adjacent covers and more drop-offs at the point of need
- Decoupled multi-policy sales, reducing bundling efficiencies for some customers
- Tighter scripts that limit proactive help in real-time unless within consent scope
- Risk averse behaviour that is disconnected from customer outcomes

Risk averse behaviours can increase compliance cost for insurers as insurers adopt measures such as:

- Consent capture and expiry controls (six-week limit)
- Gated quoting so offers aren't made without valid consent
- Retraining of staff to run "information-only" conversations
- Preparedness for right-of-return remediation where breaches occur

D. State and territory inconsistency

In addition to federal regulatory overlap, inconsistency across state and territory-based frameworks adds another layer of complexity. Key injury compensation schemes, such as workers' compensation and compulsory third-party (CTP) insurance, are a primary example.

The state and territory-based administration of these schemes creates significant variations across jurisdictions. These differences include the role of government – which may act as the regulator, administrator, or underwriter – and the specific arrangements for administration, regulation, benefits, and premiums.

This lack of national consistency increases the cost and complexity of providing insurance services nationwide. State based regulations should, as a matter of principle, be harmonised so that there is a one consistent set of obligations to be met across the economy.

E. Inconsistent legislative definitions

Regulatory overlap also arises from inconsistent definitions for the same concept across different legislative frameworks. The definition of a "small business" is a primary example of this issue. Insurers must apply multiple, varying definitions, which in turn affects compliance obligations in areas such as product design, disclosure, and dispute resolution.

Examples of these different definitions and their applications include:

- The ***Corporations Act 2001*** (s761G(12)), which is relevant for determining whether a business is treated as a retail client.
- The ***ASIC Act 2001*** (s12BF), where the definition determines the scope of the unfair contract terms regime.
- The ***Insurance Contracts Act 1984*** (via the *Insurance Contracts Regulations*), where the definition affects the application of obligations such as the duty of utmost good faith.
- The **AFCA Rules**, which use the definition to set jurisdictional limits for complaints regarding certain small business products.
- The ***Terrorism and Cyclone Insurance Act 2003***, which uses the term to define eligibility for reinsurance pools.
- The **Australian Taxation Office (ATO)** and **Australian Bureau of Statistics (ABS)** frameworks, which contain separate definitions for tax and statistical reporting purposes.

4.2.3. One-size-fits-all approach creates inefficiencies

A one-size-fits-all approach was reiterated by insurers in two key areas:

- **Lack of proportionality in reporting obligations**, noting recent developments such as AASB17 and climate disclosures requirements which demand the same level of rigour and requirements, straining the resources and training capacity of smaller teams; and
- **General insurance required tailored regulation.** One-size-fits-all extension of financial services regulation to general insurance results in significant personal advice obligations on all products including mass-marketed general insurance products. This has introduced a level of risk aversion to insurers providing practical customer guidance that has resulted, in effect, to customers being forced into a “no advice” model. This limits insurers' ability to provide practical customer guidance, forcing them into "no advice" models to manage compliance risk.

A. Lack of proportionality in reporting obligations

Of the 24 prudential standards applicable to general insurers, while some give consideration to the size and complexity of the regulated entity’s activities, the majority apply equally to all. Examples where proportionality is incorporated include *CPS 190 (Recovery and Exit Planning)*, *CPS 511 (Remuneration)*, *CPS 900 (Resolution Planning), CPS 226 (Margining and Risk Mitigation)*.

Whilst acknowledging that many of the remaining standards allow an insurer to apply each of the requirements in a manner which is commensurate with attributes of their business such as size and complexity, this is not the same as regulators being proportionate in the nature and extent of obligations that are applicable to a firm in the first instance irrespective of whether they are small, medium or large.

APRA has recently commenced an initiative in the banking sector to create greater structural proportionality based on the size of regulated firms. This involves considering a move from the current two-tier model (SFI's and Non-SFI's) to a potential three or four tier model[20], highlighting a clear need and benefit for a similar initiative in the general insurance sector.

Other regulations which are not prudential regulations are also limited in the proportionality they allow with respect to the extent of their application irrespective of their size, complexity, product mix. Examples of the newly implemented regulations with this characteristic include the Design and Distribution Obligations (*Case Study VI: Target Market Determinations Impacts*) incorporated into the Corporations Act (including *Product Design and Distribution Obligations (RG 274)*), *Internal Dispute Resolution (RG 271)* and *Breach Reporting (RG 78)*.

B. General insurance requires tailored regulation

Whether deciding on the right sum insured for their vehicle, insuring their small business or seeking to improve the resilience of their property to natural disasters, insurers can play a role in advising customers.

When the current financial Advice regime was designed, a one-size-fits-all approach to the financial services sector resulted in general insurance being regulated in a similar way to more technical, strategic financial services (such as financial planning).

Consumers approach a financial planner seeking to protect or grow their wealth, protect their families in the case of death or disability and plan for their retirement. The horizon for these products is medium to long term, and the decisions facing customers have longer term consequences and may be permanent.

General insurance products are mostly short term in duration (typically 12 months coverage period) and can usually be adjusted or cancelled (for a partial premium refund) at any time, meaning customers are not locked into decisions and can change their mind any time (prior to a claim) with nominal impact.

General insurers have mostly responded by adopting a risk-averse approach to the provision of advice that prioritises process over outcome. This risk-averse approach arises from the broad-brush application of financial advice laws to short-duration general insurance products, complexity of designing and implementing a personal advice model at scale, and significant consequences of straying into (unintended) personal advice. This means that insurers often operate under a no-advice or general-advice model, preventing customers from gaining the benefits of the provider's experience, knowledge and expertise.

The general insurance sector has a longstanding view that the general/personal advice distinction is 'inappropriate in an insurance context'[21] and the advice regime is ill-suited to the nature of interactions between general insurance providers and general insurance customers.

Compliance with the Advice regime directs staff training toward phrasing information to remain within the permitted advice category, rather than prioritising the most helpful response to the customer's question. In practice, the distinction between factual information, general advice and personal advice can sometimes hinge on a single word meaning making staff straining to avoid giving personal advice complex and difficult.[22] Often, the result is customer interactions that are awkward, where staff cannot provide natural answers to everyday customer inquiries. Instead, staff may default to providing facts that hopefully empowers customers to navigate issues independently. This approach frequently leads to unproductive interactions, causing frustration for both customers and insurer staff. The risk that personal advice may have been provided, even if inadvertently, is nonetheless present.

Proposed reforms to financial product advice regulation may result in improvements for customers and insurers, enabling customers to gain the benefit of insurers' knowledge and experience as well as reducing

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[20] APRA – Letter and Supplementary Letter from John Lonsdale, Chair (July / August 2025)

[21] Legislative Framework for Corporations and Financial Services Regulation - Initial Stakeholder Views, ALRC (June 2021)

[22] Draft report – Competition in the Australian Financial System, ICA (March 2018)

regulatory restrictions and risk for insurers. In turn, this may result in improved levels of appropriate insurance coverage for customers, as well as more efficient and better-quality interactions between customers and insurers.

The case study below presents an example of where independent drivers such as the Parliamentary Flood Inquiry (PFI) and Independent Review of the GICOP have highlighted the need for insurers to provide more advice and guidance to customers to improve customer outcomes, but the Advice regime can be a limiting factor.

Case Study VI: PFI and GICOP Review Recommendations on Advice

Recent policy reviews reinforce the need for more practical, consumer-facing guidance, particularly for vulnerable customers. The Parliamentary Flood Inquiry and the Independent Review of the GICOP recommend that – subject to financial advice law – insurers:

- provide appropriate information on insurer options that help manage the cost of insurance (GICOP Review Recommendation 91);
- provide transparency about consumer mitigation activities that result in pricing benefits (GICOP Review Recommendation 92); and [23]
- consider relevant property-level mitigation at new business/renewal and demonstrate how these measures are reflected in the proposed premium (PFI Recommendation 76) [24]

However, legalistic definitions that currently delineate general and personal advice constrain delivery of this in practice. When communications become tailored or prioritised to the individual's circumstances, they risk triggering personal advice obligations – discouraging the very interactions these reviews seek to promote. This may limit insurers from helping customers adopt mitigation and ultimately constrain affordability and national resilience.

The case study below presents the unintended consequences of regulation applied uniformly across products with different features and varying levels of risk.

Case Study VII: Target Market Determinations Impacts

The *Design and Distribution Obligations (DDO)* under *Part 7.8A* of the *Corporations Act* require a Target Market Determination (TMD) for each product. While intended to prevent mis-selling, the application of TMDs to simple, mass-market general insurance products has created a significant administrative impact for limited consumer benefit.

This administrative impact reflects issues identified by the ALRC.[25] The ALRC found that the legislative provisions comprising the DDO regime are "unnecessarily complex and highly prescriptive," noting by way of example that the core obligation to create a TMD "gets lost in the detail of an extensive list of what a TMD needs to contain." According to the ALRC, these structural complexities "inhibit meaningful compliance and make it harder to identify the policy objectives of the regime.

This administrative impact is most evident when minor product changes trigger a full TMD review. For instance, adding a beneficial and optional feature like 'rental car coverage' to an existing motor insurance policy is considered a "review trigger." While the change is pro-consumer and does not alter the product's target market, it initiates a formal, resource-intensive process. The review is not a simple check; it requires the insurer to:

- Formally document the review, assessing the change against all DDO factors
- Update the TMD document, which requires legal and compliance sign-off
- Notify all distributors of the updated TMD and provide new training or guidance if required
- Lodge the revised document with ASIC and publish it on the company's website

[23] Independent Review: Final Report, CGC (December 2024)

[24] Report on the inquiry into insurers' responses to 2022 major floods claims, Parliament of Australia (October 2024)

[25] Confronting Complexity: Reforming Corporations and Financial Services Legislation, ALRC (November 2023)

This process consumes significant resources for a simple update that provides no measurable risk of mis-selling. The impact disproportionately affects smaller and specialised insurers who have fewer resources to absorb these high fixed compliance costs, creating a barrier to competition. This ultimately results in unnecessary product costs and slows down innovation with no corresponding benefit to customers or the wider economy.

The DDO regime currently applies uniformly across all retail products (with some specific exemptions which can create additional complexity). A more proportionate, risk-based approach – where low-risk products have reduced monitoring and reporting obligations – could be more effective. A possible option to achieve this may be through a clear and tiered framework to enable resources to be more targeted towards higher-risk products that carry higher potential for consumer harm.

4.2.4. Uncoordinated data demands strain resources

Linked Improvement Opportunity

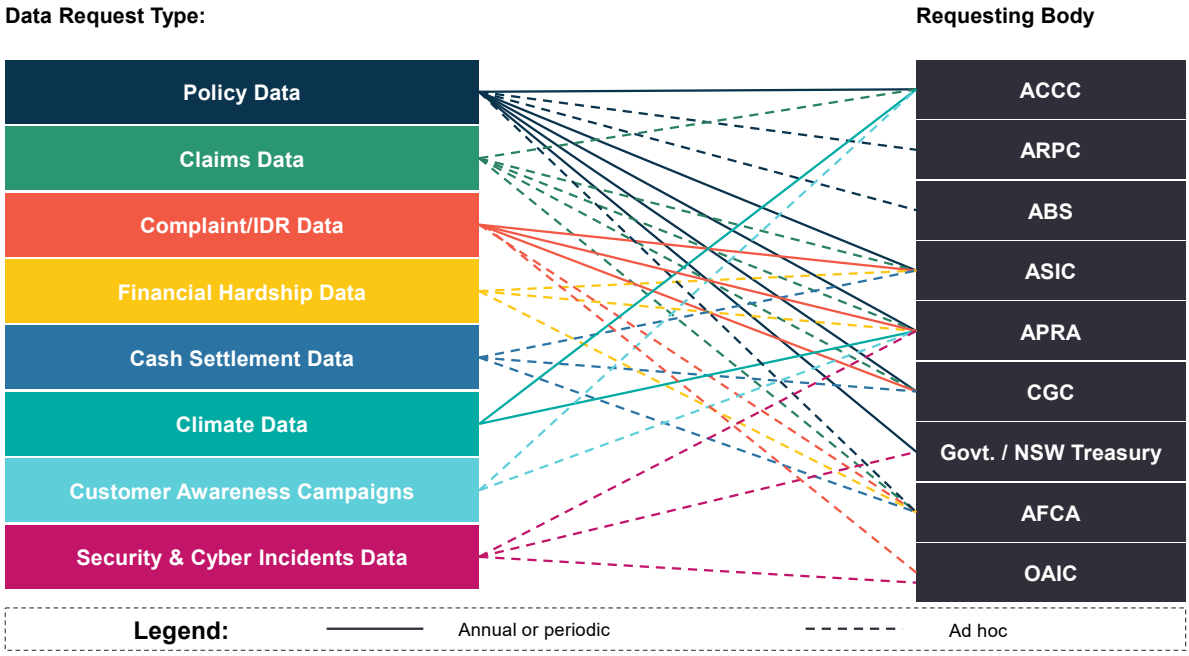
1 2 3 4 5

The existing framework around regulatory reporting creates operational inefficiency from two main sources:

- The clustering of scheduled reporting deadlines; and
- Frequent, uncoordinated ad hoc data requests.

The analysis of individual obligations shows a high concentration of reporting deadlines at quarter- and year-end, largely driven by APRA GRS requirements. This pattern creates predictable workload peaks that divert staff and resources (often specialist or senior resources such as actuaries and finance teams) from core business projects. This is compounded by ad hoc requests from multiple regulators for similar data, but in differing formats. The lack of standardisation prevents the reuse of data and results in redundant work. The diagram below visualises the different types of overlapping data requests and their varying frequencies from multiple bodies.

Figure 9: Ad hoc requests, often from multiple bodies for very similar data, undermine operational efficiency



Case studies further show that frequent, uncoordinated ad hoc requests create significant, redundant work that diverts resources from core activities. For instance, overlapping inquiries require insurers to repeatedly collate similar information for different bodies (*Case Study VII: Overlapping Inquiries*), while urgent requests during a crisis can pull critical staff away from helping customers at the most critical time (*Case Study VIII: Impact of Ad Hoc Requests during Crises*).

Case Study VIII: Overlapping Inquiries

A recent AFCA Systemic Issues Inquiry into claims handling for vulnerable customers required data on topics previously examined by multiple bodies. This included prior reviews by AFCA itself, ASIC, APRA, the General Insurance Code Governance Committee (CGC), and the ACCC, demonstrating the repeated collection of similar information across the industry. In addition to this, ASIC revisited its previous inquiry into claims handling of home insurance claims (ASIC *REP 768*).

Case Study IX: Impact of Ad Hoc Requests

The "2022 parliamentary flood inquiry" highlights the impact of ad hoc requests. Ad-hoc requests related to the inquiry ranged across policy, claims, complaints and hardship/vulnerability data which were requested by multiple regulatory bodies.

Shortly after the peak of flood response operations, insurers were required to provide detailed claims datasets in different formats all with slightly varying details, often under tight deadlines. Insurers noted that as every data request was slightly different, processes could not be streamlined, for example by setting up templates that could be used across each requesting body. In addition, as internal systems are not configured for such unique data formats, staff from claims, IT, and compliance had to manually collate the information. This redirected their focus away from core activities and serving customers to engaging with multiple requesting bodies to understand the unique data requirements.

The combination of these concentrated reporting schedules and bespoke ad hoc inquiries creates persistent resource planning challenges and reduces overall operational efficiency. This burden is particularly challenging for smaller insurers. With more constrained resources, they face greater difficulty managing these workload peaks and may need to procure external support to meet their obligations.

5. Productivity Improvement Opportunities

This section outlines five opportunities to improve productivity by making regulation more efficient and outcomes-focused, without weakening consumer protection. The opportunities outlined below span near-term actions and longer-term reforms. These proposals align with submissions made by ASIC, APRA, and the ACCC to the Productivity Commission's 2023 inquiry into the economy and build on initiatives like the Regulatory Initiatives Grid.[26,27,28]

Importantly, shorter-term opportunities outlined below have the potential to drive immediate impact without significant investment – by changing how regulators coordinate, sequence work, and request information. For instance, where similar issues are being examined, regulators can seek to coordinate, share and consult with insurers to align data needs over the next 6-12 months.

1 Coordinate across regulators and remove duplication across regulatory frameworks — Shorter-term

The report's case studies show that duplication exists across both regulatory activities and legislative frameworks. An opportunity exists to address this by:

- **Improving coordination between regulators**, which can be achieved practically by creating a **transparent regulatory roadmap maintained jointly by financial regulators**. This would include a requirement for regulators to source information that has already been provided by the industry. This would help plan and sequence reforms to avoid bottlenecks, building on existing cross-agency forums like the RIG, provided it is mandated and its scope expanded to capture the full breadth of regulator activity.
- **Removing duplication across legislative frameworks** by adopting the ALRC's principles for structured, proximity-based legislation. A practical first step would be for Treasury to lead a legislative mapping project to identify and consolidate overlapping definitions and obligations, with an initial focus on de-duplicating the reporting of policy and claims data. This could then be expanded to other high-impact areas like complaints and financial hardship data reporting.

2 Streamline regulatory reporting with a "single touch" system — Shorter-term

The analysis identifies regulatory reporting as a primary source of inefficiency due to clustered deadlines and uncoordinated ad-hoc data requests. An opportunity exists to create a **"single touch" reporting system** by:

- Establishing a joint taskforce to design and build a **consolidated, API-driven gateway**.

  This taskforce would first standardise data definitions for key recurring reports before building the shared infrastructure, enabling a "report once, use many times" model and building on the **Treasurer's recent call for regulators to remove duplication in data requests.**

[26] APRA – Letter and Supplementary Letter from John Lonsdale, Chair (July / August 2025)
[27] ASIC – Letter and Supplementary Letter from Joseph Longo, Chair (August 2025)
[28] ACCC – Letter and Attachment A from Gina Cass-Gottlieb, Chair (August 2025)

3 Adopt outcome-focused, proportionate regulation — Medium-term

The report finds that prescriptive rules create costly processes without commensurate customer benefit. Furthermore, international developments and deregulation efforts such as the UK, New Zealand and South Africa's introduction of fair conduct principles indicate a shift towards principles- and outcomes-based regulation for financial services[29]. The framework should transition to an **outcome-focused model that enables risk-based proportionality**. Two practical actions can achieve this:

- The ALRC recommended using legislative 'scoping orders'[29] – a mechanism to formally modify how rules apply to specific products or circumstances – as a key tool to achieve greater risk-based proportionality. Treasury, in consultation with ASIC, can use **ALRC-style scoping orders** (via legislative instrument) to define criteria for "low-risk" products, exempting them from the full extent of TMD requirements.
- The current regulatory sandbox offers limited options for testing new products and services and their utility for the general insurance sector. A more effective sandbox could accelerate time-to-market of new products and services. For example, ASIC could run a **regulatory sandbox to pilot flexible, consumer-tested disclosure formats** (e.g., digital dashboards). Once proven effective, these formats can be formally approved for use, allowing insurers to **replace lengthy disclosure documents with modern, more engaging alternatives.**

4 Establish formal post-implementation reviews — Medium-term

The analysis of the **Anti-hawking and Target Market Determination requirements**, among others, shows that rules can have unintended consequences. An opportunity exists to introduce a **formal, transparent post-implementation review process** by:

- **Embedding a review cycle into the legislative process**, mandating that major legislation and their associated delegated instruments are reviewed within a set timeframe (e.g. 3-5 years).
- **Requiring this process to include adequate public consultation and a formal government response**, creating a transparent feedback loop to amend or remove ineffective rules.

5 Create a future-ready regulatory framework — Medium-term

The current regulatory environment can discourage innovation. Budgets are consumed by mandatory compliance projects, and uncertainty about how existing rules apply to emerging technologies like AI fosters a risk-averse culture. An opportunity exists to create a future-ready framework, underpinned by a commitment to pro-technology and technology-neutral policy, that enables responsible innovation by:

- **Providing clearer guidance and "guardrails"** for new technologies. Regulators can clarify how privacy and data rules apply to AI-driven analytics and automation, giving firms the confidence to invest in these tools while maintaining strong consumer protections.
- **Establishing regulatory sandboxes or pilot programs**. Regulators could more deliberately consider how new or proposed changes to regulation either promote, (or do not restrict nor delay) the ability to innovate products, services and/or how they are delivered. This could include:
    - more extensive use of "sandbox" environments through which regulators make innovations they are exploring internally available to regulated firms; and

[29] Confronting Complexity: Reforming Corporations and Financial Services Legislation, ALRC (November 2023)

- making greater use of the regulatory exemption mechanisms as a means of encouraging firms to innovate their products and services and/or how they are delivered in small, but scalable, initiatives where they can be jointly “tested” by regulators and industry.

An example of what is being established in other jurisdictions can be found with the UK Financial Conduct Authority which has established an “AI Live Testing” initiative to assist regulated firms in adopting AI technologies[30]. This would allow firms to conduct controlled testing of new solutions – such as using AI to improve claims handling – with regulatory oversight, accelerating learning and the safe adoption of new technology.

- **Shifting to machine-readable regulation ("Rules as Code")**. This involves re-writing high impact existing rules and designing all new regulation in a structured format which makes it simpler for AI to understand and interpret. This enables the automation of compliance checks thereby lowering costs and freeing up capital for innovation.

[30] FS25/5: AI Live Testing, FCA (September 2025)

Insurance Council of Australia

Appendices

Term	Description
ACCC	Australian Competition and Consumer Commission
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
AI	Artificial Intelligence
ALRC	Australian Law Reform Commission
AML	Anti-Money Laundering
APP	Australian Privacy Principles
APRA	Australian Prudential Regulatory Authority
ASIC	Australian Securities & Investment Commission
BAU	Business as Usual
BCP	Business Continuity Plan
BIBA	British Insurance Brokers' Association
CDR	Consumer Data Right
CFR	Council of Financial Regulators
CGC	Code Governance Committee
CPS	Cross-industry Prudential Standards (APRA)
DDO	Design and Distribution Obligations
DSM	Deferred Sales Model
EDR	External Dispute Resolution
FAR	Financial Accountability Regime
FCA	Financial Conduct Authority
GDP	Gross Domestic Product
GICOP	General Insurance Code of Practice
GPS	General Insurance Prudential Standards (APRA)
GRS	General Insurance Prudential Reporting Standards (APRA)
GWP	Gross Written Premium
IDR	Internal Dispute Resolution
ISR	Insurance for Special Risks
MFP	Multifactor Productivity
OAIC	Office of the Australian Information Commissioner
PDS	Product Disclosure Statement
PFI	Parliamentary Flood Inquiry
PRA	Prudential Regulation Authority
RBA	Reserve Bank of Australia
RG	Regulatory Guides (ASIC)
RIG	Regulatory Initiatives Grid
SOCI	Security of Critical Infrastructure Act
TMD	Target Market Determination

B. Quantitative cost analysis for regulatory cost estimation

1. Defining the Scope of Compliance Cost

The scope of compliance costs follows the Office of Impact Analysis's Regulatory Burden Measurement Framework (February 2024). In line with this framework, the analysis quantifies administrative and substantive compliance costs. Excluded from this scope are opportunity costs, non-compliance and enforcement costs, indirect costs, and government charges.

2. Establishing a Cost Benchmark

A benchmark for compliance cost-to-revenue was established by considering analogous studies and relevant literature. A range of analogous literature studies such as British Insurance Broker Association study (May 2025), Parliament Library (2012), Mercatus Center of Research (Cumulative cost of Regulations, 2025) provide an estimate of the relative regulatory cost burden on the economy, insurance, and cumulative impact of longer time-period. This analysis resulted in a benchmark range of 4-6% of Gross Written Premium (GWP).

3. Estimating Total Industry Cost

The total industry compliance cost was estimated by applying the 4-6% benchmark to APRA-reported GWP data. This estimate was refined through the following steps:

- Averaging: Using a three-year average of GWP data to smooth annual fluctuations.
- Normalisation: Using policy counts to normalise the data across the industry.
- Product Segmentation: Accounting for varied regulatory intensity across key product categories, including motor, home, CTP, Fire & ISR, public and product liability, professional indemnity, and employer liability.

4. Allocating Costs Across the Value Chain stages

Costs were allocated across the business value chain based on the count and complexity of over 20,000 mapped regulatory obligations (excluding regulation considered to be the baseline for organisations). The defined value chain stages were Product Development, Marketing & Sales, Underwriting & Policy Inception, Policy Servicing & Renewal, Claim Lodgement & Dispute Resolution, Claim Settlement, Prudential & Financial Management, and Governance, Technology, Data & Operational Resilience. The obligations on the general insurer were indexed based on frequency and complexity and the resulting resource requirement. For example, obligations classified within the Claim Lodgement and Dispute Resolution stages are high frequency events and time bound in nature resulting in more resource intensity. The resulting allocation estimates were then triangulated against member estimates and subjected to sensitivity testing for validation.

5. Allocating Costs to Obligation Categories

Obligations were also grouped into functional categories based on their underlying activities (e.g., Regulatory Reporting, Claim Handling, Information Management, Data Privacy, and Risk Management). A similar approach as value chain cost allocation was utilised to estimate the breakdown of cost burden by obligation categories. The total compliance cost was then allocated to these categories by weighting the count and complexity of the associated obligations based on qualitative inputs from members.

6. Limitations and Purpose

The estimates have limitations, including the ambiguity of resource investment in compliance activities, costs from unplanned policy updates, and a scope restricted to more direct costs. Cost estimates seek to estimate the relative costs of various types of compliance obligations. The purpose of this analysis is to quantify the scale of regulatory cost, thereby helping to identify productivity opportunities.

C. Detailed list of overlapping obligations

This table provides detailed, specific examples of the overlapping regulatory obligations analysed in Section 4.2.2 of this report. The list is intended to be illustrative rather than exhaustive, highlighting some of the most common areas of duplication insurers face.

	Consumer protection obligations relating to fairness	Sales & distribution	Information security / privacy notifications	Complaints management	Claims management
Corporations Act	s912A(1)(a) (efficiently, honestly, fairly) s991A (unconscionable conduct) s1041H (misleading or deceptive)	s992A (anti-hawking) s994B, s994C (TMD content, TMD review) s994G (significant dealings) Pt 7.9 (Disclosure) incl. s1013D (PDS content)	s912D (reportable situations)	s912A(1)(a) (efficiently, honestly, fairly) s912A(1)(g) (IDR & AFCA membership for retail clients) s912A (2) - dispute resolution system requirements	s766G (claims handling and settling service)
ASIC Act	s12DA (misleading or deceptive) s12DB (false or misleading representations) s12BF (unfair contract terms incl. insurance)	Subdivision DA – Deferred sales for add-on insurance products			
Insurance Contracts Act	s13 (utmost good faith) s38–s47; s49–s50; s53; s54; s56; s59; s63; s65–s67 (consumer protection provisions)				s13 (utmost good faith) s14a (failure to comply with utmost good faith in relation to handling or settling of claims) s41 (consent for settlement of liability insurance claims) s54 (limits on refusing claims) s56 (fraudulent claims) s57 (interest on late payment)

	Consumer protection obligations relating to fairness	Sales & distribution	Information security / privacy notifications	Complaints management	Claims management
Privacy Act			Privacy Act APP 11 (security of personal information) Privacy Act Part IIIC: s26WE (eligible data breach) s26WK (prepare statement) s26WL (notify Commissioner & individuals), s26WR (Commissioner directions)		
ASIC Regulatory Guides	RG 234.155 & 234.156 (Misleading or deceptive conduct)	RG 274 (Design & Distribution Obligations) RG 38 (Hawking prohibition) RG 234 (Advertising – good practice guidance)	RG 78 (Breach reporting)	RG 271 (Internal Dispute Resolution) RG 267 (Oversight of AFCA)	
APRA Standard / Guides			CPS 234 (Information Security); paragraphs 35-36 CPS 230 (Operational Risk Management); paragraphs 33, 42, 59(a)-(b), 34(c), 38		CPS 230 paragraphs 36(b) (claims processing is a critical operation) CPS 230 paragraphs 38, 42 (tolerance & disruption notifications) CPS 230 paragraphs 50(b), 59(a)-(b) (claims service providers and notifications)
GICOP	Part 3: para 21 (Open, fair & honest dealings) Part 9: Supporting customers experiencing vulnerability	Part 6: Buying Insurance (e.g. pressure selling)		Part 11 Complaints (e.g. complaints timeframes)	Part 8 Making a claim (e.g. claim decision, cash settlements)

	Consumer protection obligations relating to fairness	Sales & distribution	Information security / privacy notifications	Complaints management	Claims management
AFCA Rules	AFCA Rules A.14.2 (fairness in all circumstances)			AFCA Rules, e.g. Section A - Complaint resolution process	AFCA Rules, e.g. B.2 a) Provision of financial service, B.2 d) Entitlements or benefits under General Insurance Policy
ACL / State Fair Trading (for activities that do not relate to provision of financial services)				ACL complaint pathways	ACL complaint pathways (regarding claims)
State and Territory Scheme requirements	Scheme conduct; reasons & transparency (jurisdiction-specific)		Scheme IT/privacy via contracts/guidelines	Scheme complaint/merit-review mechanisms (e.g., PIC NSW, regulator reviews)	Scheme claims timeframes, decision obligations, medical/rehab management

D. Regulation catalogue

#	Regulation Name(s)	Introduced in
1	3PS 221 Aggregate Risk Exposures	2017
2	3PS 222 Intra-group Transactions and Exposures	2017
3	3PS 310 Audit and Related Matters	2017
4	AASB 17 Insurance Contracts	2022
5	AASB 9 Financial Instruments	2014
6	AASB S2 Climate-related Disclosures	2024
7	ACT Civil and Administrative Tribunal Act 2008	2008
8	AFCA Rules and Operating Guidelines	2018
9	Age Discrimination Act 2004	2004
10	Anti-Discrimination Act 1977 (NSW)	1977
11	Anti-Discrimination Act 1991 (QLD)	1992
12	Anti-Discrimination Act 1992 (NT)	1993
13	Anti-Discrimination Act 1998 (TAS)	1999
14	Anti-Money Laundering and Counter-Terrorism Financing Act 2006	2006
15	ASIC Supervisory Cost Recovery Levy (Collection) Act 2017 (Cth)	2017
16	ASIC Supervisory Cost Recovery Levy Act 2017	2017
17	AUSTRAC Rules and Guidelines	2006
18	Australian Consumer Law (Tasmania) Act 2010	2010
19	Australian Consumer Law and Fair Trading Act 2012 (VIC)	2012
20	Australian Financial Complaints Authority Act 2017	2018
21	Australian Human Rights Commission Act 1986 (Cth)	1986
22	Australian Privacy Principles (APPs)	2014
23	Australian Prudential Regulation Authority Act 1998	1998
24	Australian Securities and Investments Commission Act 2001	2001
25	Autonomous Sanctions Act 2011 (Cth)	2011
26	Charter of Human Rights and Responsibilities Act 2006	2007
27	Charter of the United Nations Act 1945 (Cth)	1945
28	Civil Law (Wrongs) Act 2002 (ACT)	2002
29	Civil Liability Act 1936 (SA)	1936
30	Civil Liability Act 2002 (NSW)	2002
31	Civil Liability Act 2002 (TAS)	2003
32	Civil Liability Act 2002 (WA)	2003
33	Civil Liability Act 2003 (QLD)	2003
34	Civil Procedure Act 2005 (NSW)	2005
35	Companies (Unclaimed Assets and Moneys) Act 1963 (NT)	1963
36	Competition and Consumer Act 2010	2011
37	Compulsory Third Party Insurance Regulation Act 2016	2016
38	Conflicted Remuneration Provisions	2013
39	Consumer Affairs and Fair Trading Act 1990 (NT)	1990
40	Corporations Act 2001	2001
41	CPG 110 Internal Capital Adequacy Assessment Process and Supervisory Review	2013
42	CPG 190 Recovery and Exit Planning	2023
43	CPG 220 Risk Management	2018
44	CPG 229 Climate Change Financial Risks	2021
45	CPG 230 Operational Risk Management	2024
46	CPG 233 - Pandemic Planning	2013
47	CPG 234 Information Security	2019

48	CPG 235 - Managing Data Risk	2013
49	CPG 320 Actuarial and Related Matters	2019
50	CPG 511 Remuneration	2021
51	CPG 900 Resolution Planning	2023
52	CPS 190 Recovery and Exit Planning	2022
53	CPS 220 Risk Management	2015
54	CPS 226 Margining & Risk Mitigation	2017
55	CPS 230 Operational Risk Management	2025
56	CPS 234 Information Security	2019
57	CPS 320 Actuarial and Related Matters	2019
58	CPS 510 Governance	2012
59	CPS 511 Remuneration	2021
60	CPS 520 Fit and Proper	2012
61	CPS 900 Resolution Planning	2023
62	Crimes Act 1900 (ACT)	1900
63	Crimes Act 1900 (NSW)	1900
64	Crimes Act 1914 (Cth)	1914
65	Crimes Act 1958 (VIC)	1959
66	Criminal Code 2002 (ACT)	2003
67	Criminal Code Act 1899 (QLD)	1901
68	Criminal Code Act 1924 (TAS)	1924
69	Criminal Code Act 1983 (NT)	1984
70	Criminal Code Act 1995 (Cth)	1997
71	Criminal Code Act Compilation Act 1913 (WA)	1914
72	Criminal Law Consolidation Act 1935 (SA)	1936
73	Criminal Proceeds Confiscation Act 2002 (QLD)	2003
74	Cyber Security Act 2024 (Cth)	2024
75	Design and Distribution Obligations (DDO)	2021
76	Disability Discrimination Act 1992	1992
77	Discrimination Act 1991 (ACT)	1991
78	Do Not Call Register Act 2006	2006
79	Electronic Transactions (Northern Territory) Act 2000	2001
80	Electronic Transactions (Queensland) Act 2001	2002
81	Electronic Transactions (Victoria) Act 2000	2000
82	Electronic Transactions Act 1999 (Cth)	2001
83	Electronic Transactions Act 2000 (NSW)	2001
84	Electronic Transactions Act 2000 (SA)	2002
85	Electronic Transactions Act 2000 (TAS)	2001
86	Electronic Transactions Act 2001 (ACT)	2001
87	Electronic Transactions Act 2011 (WA)	2011
88	Equal Opportunity Act 1984 (SA)	1985
89	Equal Opportunity Act 1984 (WA)	1985
90	Equal Opportunity Act 2010 (VIC)	2011
91	Evidence Act 2011 (ACT)	2013
92	Evidence Act 1995 (NSW)	1995
93	Evidence Act (National Uniform Legislation) 2011 (NT)	2013
94	Evidence Act 1977 (QLD)	1978
95	Evidence Act 1929 (SA)	1929
96	Evidence Act 2001 (TAS)	2002

97	Evidence Act 2008 (VIC)	2008
98	Evidence Act 1906 (WA)	1906
99	Fair Trading (Australian Consumer Law) Act 1992 (ACT)	1992
100	Fair Trading Act 1987 (NSW)	1989
101	Fair Trading Act 1987 (SA)	1987
102	Fair Trading Act 1989 (QLD)	1989
103	Fair Trading Act 2010 (WA)	2010
104	Fair Work Act 2009	2009
105	Family Law Act 1975	1976
106	FAR Financial Accountability Regime	2024
107	Financial Institutions Supervisory Levies Collection Act 1998 (Cth)	1998
108	Financial Sector (Collection of Data) Act 2001	2002
109	Financial Sector (Shareholdings) Act 1998 (Cth)	1998
110	Financial Sector (Transfer and Restructure) Act 1999 (Cth)	1999
111	Financial Services Compensation Scheme of Last Resort Levy (Collection) Act 2023	2023
112	Financial Services Compensation Scheme of Last Resort Levy Act 2023	2023
113	Fines, Penalties and Infringement Notices Enforcement Act 1994 (WA)	1994
114	Freedom of Information Act 1982 (Cth)	1983
115	Freedom of Information Act 1982 (VIC)	1983
116	Freedom of Information Act 1991 (SA)	1992
117	Freedom of Information Act 1992 (WA)	1993
118	Freedom of Information Act 2016 (ACT)	2016
119	General Insurance Code of Practice	2021
120	General Insurance Supervisory Levy Imposition Act 1998 (Cth)	1998
121	Government Information (Public Access) Act 2009 (NSW)	2010
122	GPG 232 Custody Arrangements	2006
123	GPG 240 Insurance Risk	2024
124	GPG 245 Reinsurance Management Strategy	2008
125	GPG 520 Fit and Proper	2008
126	GPS 110 Capital Adequacy	2008
127	GPS 112 Capital Adequacy Measurement of Capital	2008
128	GPS 114 Capital Adequacy Asset Concentration Risk	2008
129	GPS 115 Capital Adequacy Insurance Concentration Risk	2008
130	GPS 116 Capital Adequacy Catastrophe Risk	2008
131	GPS 117 Capital Adequacy Liability Valuation	2013
132	GPS 118 Capital Adequacy Operational Risk Charge	2023
133	GPS 120 Assets in Australia	2008
134	GPS 230 Reinsurance Management	2006
135	GPS 310 Audit and Related Matters	2013
136	GPS 340 Insurance Liability Valuation	2019
137	GPS 410 Transfer and Amalgamation of Insurance Business for General Insurers	2018
138	GRS 110 - Capital Adequacy	2005
139	GRS 110.0_G Prescribed Capital Amount (Level 2 Insurance Group)	2011
140	GRS 111.0 Adjustments and Exclusions	2023
141	GRS 111.0.G Adjustments and Exclusions	2023
142	GRS 112.0 Determination of Capital Base	2023
143	GRS 112.0_G Determination of Capital Base (Level 2 Insurance Group)	2023
144	GRS 112.3 Related Party Exposures	2023
145	GRS 112.3_G Related Party Exposures (Level 2 Insurance Group)	2016

146	GRS 114.0 Asset Risk Charge	2023
147	GRS 114.0.G Asset Risk Charge	2023
148	GRS 114.1 Assets by Counterparty Grade	2023
149	GRS 114.1.G Assets by Counterparty Grade (Level 2 Insurance Group)	2016
150	GRS 114.2 Derivatives Activity	2023
151	GRS 114.3 Off-balance Sheet Business	2022
152	GRS 114.3_G Off-balance Sheet Business	2022
153	GRS 114.4 Details of Investment Assets	2013
154	GRS 115.0 Outstanding Claims Liabilities – Insurance Risk Charge	2023
155	GRS 115.0.G Outstanding Claims Liabilities – Insurance Risk Charge	2023
156	GRS 115.1 Premiums Liabilities – Insurance Risk Charge	2023
157	GRS 115.1.G Premiums Liabilities – Insurance Risk Charge	2023
158	GRS 116.0 Insurance Concentration Risk Charge	2023
159	GRS 116.0_G Insurance Concentration Risk Charge (Level 2 Insurance Group)	2023
160	GRS 116.1 Probable Maximum Loss for LMIs	2013
161	GRS 117.0 Asset Concentration Risk Charge	2022
162	GRS 117.0_G Asset Concentration Risk Charge	2022
163	GRS 118.0 Operational Risk Charge	2023
164	GRS 118.0_G Operational Risk Charge (Level 2 Insurance Group)	2023
165	GRS 210 - Statement of Financial Position	2011
166	GRS 300.0 Statement of Financial Position	2011
167	GRS 300.0_G Statement of Financial Position (Level 2 Insurance Group)	2011
168	GRS 302.0_G Statement of Financial Position by Region	2011
169	GRS 310 - Supplementary Financial Information	2010
170	GRS 310.0 Statement of profit or loss and other comprehensive income	2023
171	GRS 310.0_G Statement of profit or loss and other comprehensive income by region (Level 2 Insurance Group)	2023
172	GRS 310.3 Details of Income and Expenses	2023
173	GRS 311.0 Statement of Profit or Loss and Other Comprehensive Income by Product Group	2023
174	GRS 311.0_G Statement of Profit or Loss and Other Comprehensive Income by Product Group and by Region (Level 2 Insurance Group)	2023
175	GRS 320.0 Liability Roll Forwards	2023
176	GRS 320.0_G Liability Roll Forwards (Level 2 Insurance Group)	2023
177	GRS 400.0 Statement of Risk by Country	2005
178	GRS 410.0 Movement in Outstanding Claims Liabilities	2013
179	GRS 420.0 Insurance Revenue and Incurred Claims by State and Territory of Australia	2023
180	GRS 440.0 Claims Development Table	2008
181	GRS 460.0 Reinsurance Assets by Counterparty	2013
182	GRS 460.0_G Reinsurance Assets by Counterparty (Level 2 Insurance Group)	2013
183	GRS 460.1 Exposure Analysis by Reinsurance Counterparty	2013
184	GRS 460.1_G Exposure Analysis by Reinsurance Counterparty (Level 2 Insurance Group)	2013
185	GRS 600.0 Supplementary Capital Data Premiums and Claims	2023
186	Human Rights Act 2004	2004
187	Industrial Relations Act 2016 (QLD)	2016
188	Information Act 2002 (NT)	2003
189	Information Privacy Principles (IPPS) Instruction	1989
190	Information security manual (June 2025)	2025
191	Insurance Acquisitions and Takeovers Act 1991 (Cth)	1992
192	Insurance Contracts Act 1984	1986
193	Invasion of Privacy Act 1971	1972

194	Lifetime Care and Support (Catastrophic Injuries) Act 2014	2014
195	Listening Devices Act 1991 (TAS)	1992
196	Listening Devices Act 1992 (ACT)	1992
197	Long Service Leave Act 1955 (NSW)	1955
198	Long Service Leave Act 1958 (WA)	1958
199	Long Service Leave Act 1976 (ACT)	1976
200	Long Service Leave Act 1976 (TAS)	1976
201	Long Service Leave Act 1981 (NT)	1981
202	Long Service Leave Act 1987 (SA)	1987
203	Long Service Leave Act 2018 (VIC)	2018
204	Modern Slavery Act 2018 (Cth)	2018
205	Motor Accident Injuries Act 2017 (NSW)	2017
206	Motor Accident Injuries Act 2019 (ACT)	2020
207	Motor Accident Injuries Regulation 2017 (NSW)	2017
208	Motor Accident Insurance Act 1994 (QLD)	1994
209	Motor Accident Insurance Regulation 2018 (QLD)	2018
210	Motor Accidents Compensation Act 1999 (NSW)	1999
211	Motor Vehicles Act 1949 (NT)	1949
212	Motor Vehicles Act 1959 (SA)	1959
213	National Injury Insurance Scheme (Queensland) Act 2016	2016
214	Occupational Health and Safety Act 2004 (VIC)	2004
215	Occupational Safety And Health Act 1984 (WA)	1984
216	Payment Times Reporting Act 2020	2021
217	Penalties and Sentences Act 1992 (QLD)	1992
218	Personal Information Protection Act 2004 (TAS)	2005
219	Personal Injuries (Liabilities and Damages) Act 2003 (NT)	2003
220	Police Powers and Responsibilities Act 2000 (QLD)	2000
221	Privacy Act 1988 (Cth)	1989
222	Privacy Amendment (Notifiable Data Breaches) Act 2017	2018
223	Privacy and Data Protection Act 2014 (VIC)	2014
224	Privacy and Personal Information Protection Act 1998 (NSW)	1999
225	Product Disclosure Statement (PDS) Requirements	2007
226	Public Administration Act 2004	2004
227	Public Interest Disclosure Act 2003 (WA)	2003
228	Public Interest Disclosure Act 2008 (NT)	2009
229	Public Interest Disclosure Act 2010 (QLD)	2011
230	Public Interest Disclosure Act 2012 (ACT)	2012
231	Public Interest Disclosure Act 2012 (VIC)	2020
232	Public Interest Disclosure Act 2013 (Cth)	2013
233	Public Interest Disclosure Act 2018 (SA)	2019
234	Public Interest Disclosures Act 2002 (TAS)	2004
235	Public Interest Disclosures Act 2022 (NSW)	2023
236	Public Records Act 1973 (VIC)	1973
237	Public Records Act 2023 (QLD)	2024
238	Public Trustee Act 1978 (QLD)	1978
239	Racial Discrimination Act 1975	1975
240	Return to Work Act 1986 (NT)	1986
241	Return to Work Act 2014 (SA)	2015
242	RG 100 Court enforceable undertakings	2007

243	RG 104 AFS licensing Meeting the general obligations	2007
244	RG 105 AFS licensing Organisational competence	2007
245	RG 110 Share buy-backs	2007
246	RG 121 Doing financial services business in Australia	2008
247	RG 126 Compensation and insurance arrangements for AFS licensees	2007
248	RG 146 Licensing Training of financial product advisers	2007
249	RG 167 AFS licensing Discretionary powers	2007
250	RG 168 Disclosure PDS	2007
251	RG 169 Hawking and disclosure	2007
252	RG 175 AFS licensing: Financial product advisers – Conduct and disclosure	2007
253	RG 176 Foreign financial services providers	2007
254	RG 181 Licensing Managing conflicts of interest	2004
255	RG 182 Dollar disclosure	2004
256	RG 195 Group purchasing bodies for insurance and risk products	2008
257	RG 221 Facilitating digital financial services disclosures	2010
258	RG 234 Advertising financial products and services (including credit): Good practice guidance	2012
259	RG 244 Giving information, general advice and scaled advice	2012
260	RG 246 Conflicted and other banned remuneration	2013
261	RG 247 Effective disclosure in an operating and financial review	2013
262	RG 255 Providing digital financial product advice to retail clients	2016
263	RG 256 Client review and remediation conducted by advice licensees	2016
264	RG 259 Risk management systems of fund operators	2017
265	RG 260 Communicating findings from audit files to directors, audit committees or senior managers	2022
266	RG 265 Guidance on ASIC market integrity rules for participants of securities markets	2018
267	RG 267 Oversight of the Australian Financial Complaints Authority	2018
268	RG 268 Licensing regime for financial benchmark administrators	2018
269	RG 270 Whistleblower policies	2019
270	RG 274 Product design and distribution obligations	2020
271	RG 275 The deferred sales model for add-on insurance	2021
272	RG 277 Consumer remediation	2016
273	RG 280 Sustainability reporting	2025
274	RG 36 Licensing: Financial product advice and dealing	2007
275	RG 38 The hawking prohibition	2007
276	RG 43 Financial reports and audit relief	2007
277	RG 64 Failure to lodge documents	2000
278	RG 73 Continuous disclosure obligations Infringement notices	2007
279	RG 76 Related Party Transactions	1993
280	RG 78 Breach reporting by AFS licensees and credit licensees	2007
281	Right to Information Act 2009 (TAS)	2010
282	Road Safety Act 1986 (VIC)	1986
283	Road Transport (General) Act 1999 (ACT)	1999
284	Road Transport Act 2013 (NSW)	2013
285	Safety, Rehabilitation and Compensation Act 1988	1988
286	Security of Critical Infrastructure Act 2018	2018
287	Sex Discrimination Act 1984	1984
288	South Australian Employment Tribunal Act 2014	2015
289	Spam Act 2003	2003
290	State Insurance Regulatory Authority (SIRA) Requirements	2015
291	State Records Act 1997 (SA)	1997

292	State Records Act 1998 (NSW)	1999
293	State Records Act 2000 (WA)	2001
294	Surveillance Devices Act 1998 (WA)	1999
295	Surveillance Devices Act 1999 (VIC)	1999
296	Surveillance Devices Act 2004 (Cth)	2004
297	Surveillance Devices Act 2007 (NSW)	2008
298	Surveillance Devices Act 2007 (NT)	2008
299	Surveillance Devices Act 2016 (SA)	2017
300	Surveillance Devices and Interception Act 2010 (ACT)	2010
301	Telecommunications (Interception and Access) Act 1979	1980
302	Territory Records Act 2002	2002
303	Terrorism and Cyclone Insurance Act 2003 (Cth)	2003
304	Transport Operations (Road Use Management) Act 1995 (QLD)	1995
305	Unclaimed Money Act 1950 (ACT)	1950
306	Unclaimed Money Act 1990 (WA)	1990
307	Unclaimed Money Act 1995 (NSW)	1996
308	Unclaimed Money Act 2008 (VIC)	2009
309	Unclaimed Money Act 2021 (SA)	2023
310	Unclaimed Moneys Act 1918 (TAS)	1918
311	Unfair Contract Terms Provisions	2016
312	Uniform Civil Procedure (Fees) Regulation 2019	2019
313	Uniform Civil Procedure Rules 1999 (QLD)	1999
314	Uniform Civil Procedure Rules 2005 (NSW)	2005
315	Vehicle and Traffic Act 1999 (TAS)	2000
316	Work Health and Safety (National Uniform Legislation) Act 2011 (NT)	2012
317	Work Health and Safety Act 2011 (ACT)	2011
318	Work Health and Safety Act 2011 (Cth)	2012
319	Work Health and Safety Act 2011 (NSW)	2012
320	Work Health and Safety Act 2011 (QLD)	2012
321	Work Health and Safety Act 2012 (SA)	2013
322	Work Health and Safety Act 2012 (TAS)	2013
323	Work Health and Safety Act 2020 (WA)	2020
324	WorkCover Requirements (QLD)	2003
325	Workers Compensation Act 1951 (ACT)	1951
326	Workers Compensation Act 1987 (NSW)	1987
327	Workers Compensation And Injury Management Act 2023 (WA)	2024
328	Workers Rehabilitation and Compensation Act 1988 (TAS)	1988
329	Workplace Gender Equality Act 2012 (Cth)	2012
330	Workplace Injury Management and Workers Compensation Act 1998 (NSW)	1998
331	Workplace Injury Rehabilitation and Compensation Act 2013 (VIC)	2014
332	Workplace Injury Rehabilitation and Compensation Regulations 2014 (VIC)	2014
333	Wrongs Act 1958 (VIC)	1959

Insurance Council of Australia

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The Insurance Council of Australia is the representative body for the general insurance industry of Australia. Our members represent approximately 85 per cent of total premium income written by private sector general insurers, spanning both insurers and reinsurers.

General insurance has a critical role in the economy, insulating individuals and businesses from the financial impact of loss or damage to their insured assets.

Our work with our members, consumer groups and all levels of government serves to support consumers and communities when they need it most.

We believe an insurable Australia is a resilient Australia – and it's our purpose to be the voice for a resilient Australia.

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