

November 28, 2013

Insurance industry launches its Understand Insurance consumer financial literacy initiative

The Insurance Council of Australia (ICA) today launched **Understand Insurance**, a financial literacy initiative that will empower consumers and businesses to make well-informed decisions about their insurance needs and take control of their purchasing decisions.

The main focus of Understand Insurance is a consumer-friendly and information-rich website, www.understandinsurance.com.au, supported by social media.

ICA CEO Rob Whelan said Understand Insurance was developed with support from the ICA Board as part of the general insurance industry's ongoing commitment to help improve public understanding of the value of insurance and the financial literacy of Australians.

"Understand Insurance is a significant step forward by the industry to improve its engagement with consumers and Australian communities," Mr Whelan said.

"We have listened and responded to the concerns of policyholders, governments and consumer advocates following the disaster-filled years of 2010-2011. This initiative is designed to play a key role in improving the public's understanding of how insurance can help their lives and their communities.

"Understand Insurance, which has been in development for more than a year, guides Australians in simple, easy-to-understand terms through the process of understanding their risks, buying general insurance, finding the right policy, ensuring they have enough coverage, controlling their costs and making a claim.

"It complements existing consumer education programs of ICA member companies and other organisations and will be an invaluable community resource. The website is packed with details on the types of products, consumer testimonials, downloadable checklists and guides. This information will be handy for brokers, advisers, consumer and legal advocates, governments and community groups in helping explain important insurance-related issues."

Mr Whelan said Understand Insurance research conducted by Quantum for the launch of the initiative revealed an enormous level of underinsurance in the Australian community.

"Over the past four years, catastrophes have caused insurance losses of more than \$9 billion, yet a significant proportion of those affected have either been underinsured or not insured. Without adequate insurance cover, many households and businesses will struggle for many years to rebuild their lives," Mr Whelan said.

"Understand Insurance helps the community to take greater control of their insurance, with policyholders more likely to buy the product that best suits their requirements and offers appropriate protection."