

Wednesday July 1, 2015

Insurers complete transition to new General Insurance Code of Practice

Today the revised General Insurance Code of Practice came into full effect following a 12-month transition from the previous Code.

The transition to the revised Code by 49 general insurance companies and more than 100 Lloyd's Australia participating coverholders marks a significant milestone in providing insurance customers with stronger and clearer rights.

Insurance Council of Australia (ICA) CEO Rob Whelan said the Code committed insurers to standards of service that were above their statutory obligations.

"The new Code is positive news for consumers and for the industry," Mr Whelan said. "It sets the benchmark for industry self-regulation, and provides customers with stronger and clearer rights when buying insurance, making a claim or resolving a dispute.

"Other key changes compared with the 2012 Code include provisions to help consumers suffering financial hardship and an emphasis on plain English.

"I am very pleased the transition to the new Code has been handled smoothly by ICA member companies and other Code subscribers, and that companies are promoting their adoption of the Code on their websites and in customer-focused materials.

"The general insurance industry can feel proud of this Code and the positive impact it is already having on consumers and the industry itself."

The independent Code Governance Committee (CGC) is responsible for monitoring and enforcing compliance with the Code. The CGC is led by Lynelle Briggs AO as independent chair, Julie Maron as consumer representative and Ian Berg as the insurer representative.

The introduction of the new General Insurance Code of Practice followed an independent root-and-branch review and extensive consultation with industry stakeholders ranging from consumer groups to regulators.

The first General Insurance Code of Practice was introduced in 1994 and was one of the first of its kind. It has been reviewed four times – in 1998, 2006, 2009 and 2012.

For further information on the General Insurance Code of Practice visit:

www.codeofpractice.com.au

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