

# Insurance ‘name and shame’ threat

Companies put on notice.



**RISING TIDE:** Flood victims' anger leads to rethink on insurance rules

Insurance companies may be forced to comply with a compulsory code of practice and face the prospect of being ‘named and shamed’ for breaches, if recommendations from a parliamentary inquiry are implemented.

The House of Representatives Social Policy and Legal Affairs Committee has released its report into the operation of the insurance industry during disaster events after severe flooding hit several states and Cyclone Yasi devastated parts of north Queensland during 2011.

The committee has made 13 recommendations including beefing up the industry code of practice and making it mandatory.

It also wants the Australian Securities and Investments Commission (ASIC) to ‘name and shame’ insurers who breach the code of practice.

Committee chair Graham Perrett (Moreton, Qld) said the changes were designed to “bring in some stick” and give customers more power when trying to have complex and difficult claims finalised.

“During our travels around Australia to regions affected by natural disasters, we found that often the insurance claim process had a detrimental effect on people already devastated by trauma and loss,” he said.

“Unfortunately there are no regulations that compel insurance companies to do the right thing by their clients and resolve claims in a timely and satisfactory fashion.

“On the whole we can say that most insurance companies do make an effort however there are some gaps in there and this report has highlighted those gaps.”

Members of the committee heard hundreds of stories from homeowners and businesses around the country voicing concerns over how their claim was handled by their insurer.

Many who gave evidence to the inquiry detailed their frustrations in dealing with their insurance companies to get their claim completed while trying to rebuild their lives.

## LATEST

### THOUSANDS RESPOND TO MARRIAGE SURVEY

An online survey on two same sex marriage bills currently before the House of Representatives has received more than 20,000 responses from the public.

The survey is part of a review of the two marriage amendment bills by the House Social Policy and Legal Affairs Committee.

Both the Marriage Amendment Bill 2012 and the Marriage Equality Amendment Bill 2012 seek to repeal the definition of marriage as being only between a man and a woman to allow any two people regardless of sex to marry.

The Marriage Equality Amendment Bill 2012 goes further, specifically allowing any two people, regardless of sex,

sexual orientation or gender identity to marry.

Both bills also seek to repeal Section 88EA of the Marriage Act 1961 to allow same sex marriages solemnised in foreign countries to be recognised in Australia.

Committee chair Graham Perrett (Moreton, Qld) said the committee will hold a public hearing in Sydney in mid-April to discuss the legal implications of the two bills and plans to table its report by 18 June 2012.

The online survey will be open for responses until 20 April 2012, and can be accessed at the committee website. •

### LINKS

[www.aph.gov.au/spla](http://www.aph.gov.au/spla)  
[spla.reps@aph.gov.au](mailto:spla.reps@aph.gov.au)  
 (02) 6277 2358

Follow House of Representatives news at  
[www.twitter.com/aboutthehouse](http://www.twitter.com/aboutthehouse)