

12 June 2025

Ward Sutcliffe
Senior Specialist
Credit, Banking and General Insurance
Australian Securities and Investments Commission

By email: rri.consultation@asic.gov.au

Dear Mr Sutcliffe

ASIC proposal to remake financial advice-related legislative instruments

The Insurance Council of Australia (Insurance Council) welcomes the opportunity to respond to Australian Securities and Investments Commission's (ASIC) proposed remake of financial advice-related legislative instruments ('the proposal'), for a period of five years.¹

The Insurance Council is the representative body of the general insurance industry in Australia and represents approximately 85 per cent of private sector general insurers. As a foundational component of the Australian economy, the general insurance industry employs approximately 60,000 people and on average pays out \$147 million in claims each working day (\$36.5 billion per year).

Overview

We note ASIC proposes to remake for a further five years the following legislative instruments relating to licensing and disclosure relief for particular forms of general advice and dealing, namely:

- [*ASIC Corporations \(Advertising by Product Issuers\) Instrument 2015/539*](#)
- [*ASIC Corporations \(General Advice Warning\) Instrument 2015/540*](#), and
- [*ASIC Corporations \(Financial Services Guides\) Instrument 2015/541*](#).

The Insurance Council supports the proposal to remake the instruments into a single instrument and to extend the relief.

We agree with ASIC that the legislative instruments are operating effectively and continue to form a necessary and useful part of the legislative framework. We support the extension to provide continued regulatory stability and reduce regulatory burden, as well as compliance costs, for the general insurance industry.

The certainty given to insurers by the relief has allowed them to:

- utilise advertising to communicate effectively with consumers, improving consumer understanding, while reducing unnecessary compliance requirements.
- provide appropriate and concise verbal general advice to clients, allowing general insurers to engage with consumers in a practical and effective manner; and

¹ [ASIC \(15 May 2025\), 'CS 18 Proposed remake of financial advice-related legislative instruments'](#).

- recognise the role insurance intermediaries play, reducing administrative burden resulting in enhanced support for consumers in the delivery of general insurance products.

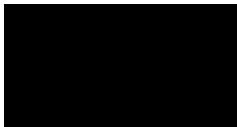
If the instruments are not extended as proposed there would be added regulatory uncertainty and operational disruptions, which could impact customer service offerings causing consumer detriment.

As there is a continued need for the instrument, we encourage ASIC to consider with Treasury the incorporation of the instruments into legislation. This would align the proposed reform to Recommendation 24 from the Australian Law Reform Commission's Final Report *Confronting Complexity: Reforming Corporations and Financial Services Legislation*.

Conclusion

We appreciate the opportunity to respond to the consultation. If you have any questions, please contact myself or [REDACTED], [REDACTED], at [REDACTED].

Yours sincerely,



Alexandra Hordern

General Manager, Regulatory and Consumer Policy