



ASIC
Australian Securities &
Investments Commission

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and Investments Commission**

Office address (inc courier deliveries):
Level 5, 100 Market Street,
Sydney NSW 2000

Mail address for Sydney office:
GPO Box 9827,
Melbourne VIC 3001

Tel: +61 1300 935 075

www.asic.gov.au/

To: General insurer boards and executives

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ASIC's 2026–27 general insurance sector priorities

This letter outlines ASIC's key general insurance sector priorities for 2026–27, including both new activities and continuing areas of focus. It is intended to help general insurers plan, allocate resources and focus attention on the issues ASIC expects boards and executives to consider and act on in the year ahead. The letter is also part of our response to industry requests for greater transparency of ASIC's regulatory priorities and planned activities.

ASIC's strategic priorities

ASIC's [2026–27 Corporate Plan](#) sets out five strategic priorities designed to support better financial outcomes for all Australians, while driving productivity, enhancing responsible innovation and building a more resilient financial system. Of most relevance to the general insurance sector is ASIC's priority of improving outcomes for consumers and small business.

General insurance landscape

General insurers provide important protections for Australian households against a range of risks, including natural disasters, accidents and property damage. The sector operates in an environment characterised by increasing catastrophe risks, rising claims costs, affordability pressures and rapid technological change. These developments present significant challenges for insurers, while also creating opportunities to improve consumer experiences throughout the insurance life cycle.

In this context, ASIC will continue to focus on the consumer impact of general insurers' activities. ASIC seeks to ensure insurers maintain the governance and systems to operate efficiently, honestly and fairly, comply with their licence and conduct obligations, and deliver good consumer outcomes.

ASIC will also continue to promote trust and confidence in the insurance sector by monitoring insurance across its life cycle, from product design and distribution practices, pricing and disclosure practices, claims handling and dispute resolution.

Focus areas for 2026–27: New activities

Strategic priority: Improve consumer and small business outcomes

Claims management firms (Commenced: Q1 2026–27)

General insurers and consumer advocates have raised concerns with ASIC about the practices of for-profit claims management firms – including those commonly referred to as ‘disaster chasers’ – and the potential implications of some firms’ practices for consumers. The concerns that have been raised with ASIC include sales and client acquisition practices, fee and cancellation arrangements, the role of firms in claims and complaints handling, and commercial relationships with repairers and other suppliers.

ASIC will review the practices of for-profit businesses that approach consumers and offer assistance with home insurance claims, including in disaster-affected areas, to better understand the role these businesses play in the claims process and identify any practices that may result in consumer harm. This work commenced in the first quarter of 2026–27 and will involve seeking information from insurers and for-profit claims management companies.

General Insurance Code of Practice

The Insurance Council of Australia (ICA) has publicly committed to seek ASIC’s approval of a new General Insurance Code of Practice. ASIC acknowledges the code review process the ICA has undertaken to date, including public consultation in July 2026.

Once submitted, ASIC will review the draft new code in accordance with Regulatory Guide 183 *Codes of conduct for the financial services and credit sectors* ([RG 183](#)), which will include engaging with key stakeholders to seek their views and with the ICA.

ASIC’s other strategic priorities and relevant projects

Given the important role that general insurers play in the economy, they may also be included in broader ASIC reviews on issues such as the quality of sustainability reports, corporate governance practices and financial reporting.

Continuing areas of focus

Motor vehicle insurance premium disclosure

ASIC’s recent review of the motor vehicle insurance sector in Report 838 *Road testing transparency in car insurance premiums* ([REP 838](#)) focused on the information insurers provided to consumers about premiums and how it was presented. We reviewed quote, renewal and supplementary documents provided by participating insurers, and conducted consumer research through a representative online survey and interviews.

We found the following:

- No insurers in our sample explained in their quote and renewal documents the key factors that affected the calculation of the premium, or why the premium had changed from the previous year.

- For insurers that charged more for consumers paying in instalments, it was not clear in the renewal notices that consumers could save 10 to 20% by paying annually.
- Five insurers did not include a direct comparison of year-on-year changes to key policy features such as insured value or excess in renewal notices.

ASIC encourages insurers to improve renewal and quote documents so premium information is clearer, more useful and easier to compare.

This includes:

- clearly explaining the key factors that affect how a customer's premium is calculated and why it has changed
- showing how factors such as excess, cover options and payment method affect price
- clearly setting out the total cost of paying by instalments and the dollar difference compared to paying annually
- comparing key policy changes, such as excess or insured value, from year to year, and
- making important information prominent and easy to find at renewal.

ASIC has provided individual feedback to participating insurers and will continue to monitor industry practices.

Cash settlements in home building insurance

ASIC recently reviewed how insurers used cash settlements in home building insurance for claims related to Cyclone Jasper and updates made to policies and practices since. We undertook a quantitative review of all Cyclone Jasper claims received by those insurers involved in the review as well as a qualitative review of a sample of claim files and the policies and procedures of those insurers.

We found that:

- at least 63% of finalised home insurance claims included a cash settlement
- cash settlement offers were often based on quotes from preferred suppliers, making us concerned about whether those amounts were enough to cover the cost of repairs
- consumers needed more information to help them understand what the settlement included and what their review rights were
- vulnerable consumers were not always identified and adequately supported, and
- insurers did not collect enough data about cash settlements. For example, while they typically had data on the dollar amount, there was a lack of available data about how that offer changed through the claims process and the reasons why.

We have called on all insurers to consider these findings and how they can improve their cash settlement practices. We will continue to monitor insurers' improvements to cash settlement processes through our supervisory program.

Engagement with peer regulators and supporting productivity

ASIC will continue to work with Australian Prudential Regulation Authority (APRA), Australian Financial Complaints Authority (AFCA) and the General Insurance Code Governance Committee to exchange information on priorities and issues of concern, with a view to avoiding duplication of effort where appropriate.

ASIC will work with other Council of Financial Regulators (CFR) members on general insurance sector issues, including emerging cyber risks. This engagement will help ASIC understand the potential conduct implications of how general insurers are responding to these risks.

ASIC will also continue to work with APRA and other regulators to streamline and harmonise data collection and sharing across regulators: see [CFR's Better regulation roadmap](#). We encourage the general insurance sector to continue raising practical examples of duplication, unnecessary burden or opportunities to simplify regulatory interactions with ASIC.

Looking ahead

Boards and executives should use this letter to inform their priorities for improvement and approach to engagement with ASIC.

I look forward to engaging with general insurers over the next year, both directly and via the ICA.

Yours sincerely

Alan Kirkland

Commissioner

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