



Insurance Council  
of Australia

7 October 2025

Simplification Team  
Australian, Securities and Investment Commission  
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Melbourne VIC 3001

By email: [simplificationconsultativegroup@asic.gov.au](mailto:simplificationconsultativegroup@asic.gov.au)

Dear Simplification Team,

### **Regulatory Simplification Consultation- REP 813**

The Insurance Council of Australia (Insurance Council) welcomes the opportunity to comment on behalf of our members on the Australian, Securities and Investment Commission's (ASIC) Regulatory Simplification consultation process.

The Insurance Council is the representative body of the general insurance industry in Australia. Our members represent approximately 85 percent of total premium income written by private sector general insurers. Insurance Council members, both insurers and reinsurers, are a critical part of the Australian financial services system.

General insurers operate under more than 250 regulatory instruments, covering tens of thousands of obligations. While we acknowledge that ASIC's simplification project is limited to changes within its own operations and regulatory administration, we caution against reviewing ASIC's regulations in isolation. Historically, siloed reviews have contributed to a layered, duplicative, and complex regulatory regime. In this submission, we highlight opportunities where ASIC could be working more collaboratively with other regulators, such as the Australian Prudential Regulation Authority (APRA) to improve efficiency.

Following the Government Economic Reform Roundtable in August 2025, the Treasurer wrote to the Council of Financial Regulators (CFR) seeking their leadership in coordinating a review of financial services sector regulation. We would welcome general insurance regulation being subject to a deep dive and suggest that ASIC should consider how the changes outlined in REP813 interact with work progressed across regulators via this forum. ASIC should consider how it will monitor and report on progress in delivering their commitments made.

The Insurance Council is undertaking a more detailed analysis of regulatory burden across the insurance value chain to identify regulation that could be streamlined. Attached, we offer some commentary on each of the priority areas outlined in ASIC's REP813 report and we would welcome the opportunity to brief ASIC on the Insurance Council's findings once our supplementary analysis is complete.

If you require more information please contact [REDACTED], Senior Adviser, Strategic Policy at [REDACTED].

We look forward to continued collaboration on this important matter.

Yours sincerely

[REDACTED]  
Executive Director & CEO

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## Section 1 – Improving access to regulatory information

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1. Has our new website improved searchability and access to useful information for you? Do you have any suggestions for further improvement?

The Insurance Council supports ASIC's efforts to make regulatory information more accessible and easier to understand. The redesigned website and industry-specific roadmaps are positive steps.

To further enhance utility, ASIC should ensure the regulatory hub is filterable by sector (for example general insurance) and bring together all relevant instruments (including if they are active/inactive), current consultations, and key dates (including review dates). ASIC should update this content monthly. Improved website navigation and clearer labels would also enhance usability. For example, the AFSL search function is currently under "Professional Registers," which is not intuitive.

Insurers would welcome further investment in plain-language summaries and interactive tools to help interpret compliance obligations. Importantly, ASIC documents should be structured in machine-readable formats (e.g. consistent HTML tagging and API access) to support the use of modern technologies like AI.

2. Which of the proposals to enhance our guidance materials do you think will have the biggest impact and should be prioritised – or do you have other suggestions?

ASIC should invest in consolidating materials as the current volume of guidance materials is cumbersome to navigate. Instruments are hard to locate and are catalogued by year and order, requiring users to know and consult ASIC guidance to find relevant references. Regulatory Guides (RGs) also lack clear numbering or topic-based structure, making them challenging to digest without prior familiarity.

Executive-level summaries which explain what has changed and why the change has been made should be used. ASIC should also look to map annexes to what has been repealed/retained and include references to APRA-related regulation, transitional relief and review/sunset dates. Where practicable, ASIC could include an alignment column in consolidation mapping annexes pointing to related APRA Prudential Standards (and, where relevant, AFCA taxonomies). This supports navigation across regimes, facilitates compliance review across regimes and reduces reconciliation work.

ASIC should link RGs back to the relevant sections of primary legislation and group them on the website by topic. This will help reduce confusion, streamline access and support compliance.

3. How can we present our guidance materials more clearly for different audiences (for example, consumers, small businesses, technical users and representative organisations)? Should we focus on principles-based guidance or more prescriptive guidance which outlines our expectations of complying with the law?

Insurers support principles-based regulation that are drafted with the intent of being relevant over time and adapting to changing market conditions. The Insurance Council recommends using case studies or examples to illustrate compliance. Incorporating tests found in case law into RGs would provide insurers greater clarity. For example, findings from the 2021 Westpac High Court Ruling help to illustrate when general advice may stray into personal advice.

To make Product Disclosure Statements (PDSes) easier for consumers to understand, ASIC could simplify requirements for insurance products outlined in RG168. The Insurance Council made several recommendations to ASIC's consultation on updating RG168 in August 2025, which should be considered as part of this process.

4. Do you think the small-company and financial advice regulatory roadmaps are helpful? Would you suggest any improvements?

Yes, these roadmaps could be helpful. We suggest ASIC strengthen work with the CFR on cross-regulator harmonisation priorities and publish a General Insurance sector simplification roadmap (across regulators) with measurable targets. A roadmap should outline how insurers are notified of changes impacting them, and how they can seek guidance if compliance measures are unclear.

5. Should we consider piloting additional roadmaps? If so, for which sectors?

See above.

6. Would alternative formats of the regulatory roadmaps be helpful (for example, hard-copy versions or podcasts)?

Audio files and hard copies are less likely to be accessible for widely adopted digital operating platforms. Insurers support the use of a wider range of digital tools, including interactive tools.

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## Section 2 – Reducing complexity in regulatory documents

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7. Are our best-practice drafting principles useful? Is there anything you would change?

The Insurance Council supports the principles outlined in the report. Insurers would welcome earlier engagement during policy development to ensure operational realities are considered when resolving complex issues.

When ASIC updates long-standing guidance to modernise expectations (without changing the law), it should include a clear summary box outlining:

- What's changed in expectations
- The reason for the change
- Any supervisory or enforcement focus
- Transition timing and relief
- Links to APRA requirements

A few worked examples would further reduce uncertainty and support compliance.

8. Is our consolidation of financial reporting, accounting and audit instruments helpful? If not, please provide any feedback on how it could be improved.

We support this initiative, and recommend applying the same approach to insurance-specific relief instruments to make them easier and quicker to navigate. Consolidation should only proceed where it will not change existing requirements or create additional confusion. Recent consultation on simplifying RG168 highlighted the risk that consolidation can unintentionally alter obligations or increase ambiguity. Consultation with industry on drafts will be critical in avoiding this.

9. Is our simplification of the platform instruments helpful? If not, please provide any feedback on how it could be improved.

Yes, it is helpful. ASIC should consider how targeted industry engagement on drafts could be implemented so that guidelines are operationally relevant and useful. These could be tested with a focus group.

10. Are there other ASIC relief or categories of instruments you consider should be simplified or consolidated? If consolidation were to occur, would it be most valuable for this to be organised by industry sector, topic or Corporations Act chapter?

We propose consolidation by industry sector (eg. insurance) to bring instruments that are specific to insurers together.

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### Section 3 – Making it easier to interact with ASIC

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11. With respect to interacting with ASIC, other than the work we've outlined, is there anything else we should prioritise?

Where estimated timeframes or release dates change from what has been publicly communicated, we suggest ASIC provide updates on revised timing. Even high-level signals would help entities with their internal planning/sequencing and resourcing.

The Insurance Council supported ASIC's review of RG168 and made several recommendations which included retaining relief for minor changes to PDSes. In addition to these recommendations, ASIC could consider transitioning to periodic reporting of PDS notifications that are grouped by class, rather than requiring individual lodgements.

12. Are there any services that ASIC provides that you think cannot be facilitated electronically? If so, please provide more information.

No comment.

13. With respect to how you use ASIC's registers, other than the work we've outlined, is there anything else you would like us to improve?

We support consolidating different portals and registers as much as possible.

14. Do you have feedback on our proposal to engage earlier with industry on data requests and revise our consultation approach?

We strongly support early engagement on data requests. A minimum 90-day consultation period for regulatory reforms and at least 30 days' notice for data requests would help ensure meaningful input. Each request should follow a standard format and include a clear data dictionary that aligns with previous requests and other regulators' requests to avoid duplication and scope creep. The Insurance Council also supports proportional and staged data collection to keep reporting manageable.

ASIC should consider the diversity of insurer structures and systems, which can affect data timelines. For example, partner models may require data from multiple systems, or historical data may take longer than 30 days to retrieve. Factoring in these realities into timelines would improve engagement and outcomes.

ASIC can also reduce the burden by reusing previously submitted materials and simply asking insurers to confirm if these are still current.

15. How would you prefer to interact with ASIC more generally? What can we improve?

In the past, ASIC shared forward-looking views of priorities and likely notices. This transparency was extremely useful as it allowed insurers to plan proactively for engagement and change management. ASIC should be using the RIG to forward plan for information requests and regulatory reviews.

From a systems perspective, enhancements to the ASIC portal would further improve efficiency. Role-based views, pre-filled forms, introducing a bulk upload functionality and access to urgent transaction support (for example, a help button or web chat) would reduce administrative effort, support compliance and improve overall productivity.

When regulatory changes occur, ASIC should allow appropriate transition periods. For example, RG38 was released just 12 days before the new hawking rules began, creating pressure on insurers. Transition timeframes should reflect the complexity of changes, overlap with other reforms, and the time needed to develop guidance.

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## Section 4 – Simplification through law reform

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16. What changes, if any, should be made to the reportable situations regime and substantial holding notices?

Insurers support ASIC streamlining the reportable situations regime and have made recommendations in response to Consultation Paper 16 which should be considered as part of this process.

Recommendations included excluding issues resolved within 30 days and introducing a monetary threshold for customer financial loss.

One challenge with RG78 is the broad definition of “significant,” which leads to over-reporting. Insurers often report minor technical breaches that have no customer or market impact—such as an incorrect date on a Cash Settlement Fact Sheet. A threshold-based approach would reduce the compliance burden and allow ASIC to focus on high-risk or systemic issues. This would improve the quality of breach data and help ASIC better identify patterns and emerging risks. ASIC could also review past reports to identify low-impact, administrative issues and shift focus to those that provide meaningful insights aligned with priority themes.

17. Are there any other regulatory reform ideas within ASIC’s remit that could simplify the application of the law, or otherwise make it easier for individuals and businesses to meet their compliance obligations?

ASIC could also improve how the CSFS requirements are applied. The current \$0 threshold creates unnecessary friction for low-value, straightforward claims (e.g. damaged electronics), and the requirement to provide the CSFS in writing means there can be delays in progressing the claim. A model similar to that applied to the PDS where verbal advice can be given followed by written advice could help improve efficiency.

ASIC could also work with APRA to develop a joint standard for systemic issues reporting (single lodgement with routed copies). This would simplify how insurers map their obligations across regulators, saving time and reducing complexity.

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## Concluding questions

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18. Of all the simplification work outlined, which do you think we should prioritise and why? Where possible, provide information or data about the cost savings that could be achieved.

We recommend prioritising the following:

- **Request streamlining and standardisation.** Use standard data notice templates and a stable data dictionary (fields, definitions, examples), harmonised where practicable with APRA and AFCA and Code Governance Committee (CGC) taxonomies. Apply a duplication check prior to issuing a request to see if data collected by teams across ASIC or another regulator can be leveraged. Insurers should be asked to confirm the currency of previously supplied information.
- **Consolidation and leveraging operational insights.** Consolidate families of instruments with a short mapping annex (repeals/replacements, APRA cross-references, transitional relief, effective/review dates). Maintain stable paragraph identifiers for RGs and publish changelogs so it’s clear where and why changes are made. This reduces the time it takes to look up, navigate and interpret requirements. Draft guides could be tested with a reference group to ensure readability and operational relevance.

- **Scheduling transparency for planning certainty.** When indicative dates in the RIG or consultation materials move, publish a short note with the revised timing (even general indicators help). This allows entities to sequence uplift and avoid the stop–start of projects which is costly.

19. Are there any costs associated with any of the options that are important for us to consider?

Changing processes and upgrading systems can be costly. Examples include retagging obligation registers, aligning data models with standard dictionaries, and updating staff training and internal guidance. These costs are higher for smaller or partner-model insurers who need to consolidate data from multiple systems.

Costs can be reduced through staged roll-outs, transitional relief, and short pilot programs with representative entities. ASIC could support this by providing a standard publishing kit—including ID schemas, changelogs, mapping templates, and sample data files.

We also recommend ASIC publish a brief implementation note with each major release or update. This should outline scope, dependencies, and timing to help firms plan and avoid duplicating internal work.

20. Are there any additional areas of simplification you would like us to consider?

Although the scope of this consultation doesn't include legislative change, there are areas for further simplification that ASIC should consider in consultation with the Treasury. These options include:

- Legislation should consistently apply terms relating to a "retail product" and a "retail client". Insurers often treat all products as though the "retail" requirements (regardless of legislation/code) need to be met because of uncertainty. Common areas of confusion include Small Business Insurance or policies for Strata Schemes.
- Ensuring clearer links between primary and delegated legislation. Delegated legislation made under the *Corporations Act 2001* has, over time, been used to modify the operation of certain primary provisions. Without clear links between the Act and the delegated instruments, compliance becomes time consuming and difficult. For example, s1012G is modified by regulation 7.9.15H. Where changes of this kind become longstanding, consideration should be given to incorporating them back into the primary legislation.
- Updates to the *Insurance Contracts Act 1984* should be made to enable general insurers to rely on relief provided by ASIC which would otherwise facilitate electronic disclosures under the *Corporations Act 2001* (see instruments 2025/447 and 2025/448). ASIC should refer to the Insurance Council's submission on updates to RG221 submitted in July 2025 for further detail.
- ASIC should be able to centrally collect unclaimed money from general insurance accounts. ASIC currently collects unclaimed money from bank and life insurance accounts but general insurers must navigate individual state and territory laws to understand in what circumstances money must be returned, by when and to where. This is made more complex if there are variations based on the location of consumer and the location of the insurer. This is inefficient and will become increasingly burdensome as the economy-wide transition away from cheques increases the volume of unclaimed monies related to remediation programs.