



## MEDIA RELEASE

Thursday 28 March 2019

### FSC ENDORSES LCCC INAUGURAL REPORT INTO LIFE INSURANCE

The Financial Services Council (FSC) today welcomes the inaugural Industry Data and Compliance Report, prepared by the Life Code Compliance Committee (LCCC) which provides independent oversight and monitoring of the Life Insurance Code of Practice (The Code).

FSC Senior Policy Manager, Nick Kirwan said Australia is the only nation in the world to compile and collect data in this field and the report provides evidence of work being done to strengthen the Life Insurance sector.

“The LCCC report shows life insurers made decisions on 89 per cent of all income related claims and 92 per cent of all lump sum claims within the required timeframes,” Mr Kirwan said.

“APRA data has previously shown the overwhelming majority of all claims received are paid (92 per cent), and now we also know, thanks to this report that those claims were made in a timely manner, helping customers when they need it most.

“We don’t shy away from the fact that there is more to be done. The LCCC’s inaugural report provides an important baseline to measure the industry against in future years, and insights into areas that the industry should focus its attention,” Mr Kirwan said.

“The FSC is pleased to see the high level of support from industry, with all Code subscribers providing data that underpins the LCCC report. The willingness of the sector to be transparent shows how seriously the Life Insurance industry takes the issue of building trust with consumers.”

Following the announcement of a radical overhaul of the Code in November 2018, the FSC has been working with ASIC, consumer advocates, mental health groups, GPs and geneticists to develop the next iteration of The Code, and has proposed more than 30 significant additional protections for consumers to lift standards.

The Life Insurance Code covers every individually assessed and group life insurance cover that can be taken out in Australia today.

**ENDS**

**Contact: Esther Jago on 0421 102 944 or [ejago@fsc.org.au](mailto:ejago@fsc.org.au)**

#### About the Financial Services Council

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The industry is responsible for investing almost \$3 trillion on behalf of more than 14.8 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the fourth largest pool of managed funds in the world. The FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.