



THE LAW SOCIETY
OF NEW SOUTH WALES

Our ref: ICC/EEap1771764

19 August 2019

Ms Theresa Fairman
Chief Customer Officer
Executive Director, Strategy and Regulatory Services
State Insurance Regulatory Authority (SIRA)
Level 6, 2-24 Rawson Place
Haymarket NSW 2000

By email: consultation@sira.nsw.gov.au

Dear Ms Fairman,

Customer service conduct principles consultation paper

Thank you for the opportunity to comment on SIRA's consultation paper on proposed customer service conduct principles as proposed licence conditions for insurers operating in the SIRA-regulated schemes. The Law Society's Injury Compensation Committee has contributed to this letter.

The Law Society understands SIRA's purpose for establishing proposed customer service conduct principles is to ensure consistency of customer service conduct, and the mechanism by which conduct will be monitored, across the insurance schemes SIRA regulates. The Law Society notes, and the consultation paper also recognises, that insurers already have licence conditions or are required to comply with relevant compliance guidelines, including adherence to certain customer service standards. We note, for example, insurers are already bound by conduct requirements under the workers compensation scheme Standards of Practice, Workers Compensation Guidelines, Motor Accident Guidelines and Home Building Compensation Scheme guidelines.

While we appreciate attempts to enhance consistency of customer service conduct across the schemes SIRA regulates, we encourage SIRA to carefully consider whether an additional set of conditions placed on insurers is the best way to achieve consistency, noting the existence of established guidelines and conduct requirements. We are concerned a proliferation of conditions and requirements, contained in discrete documents, may lead to confusion about what is required of insurers.

An alternative way of achieving SIRA's desired customer service standards could be to embed proposed conduct principles into the established guidelines for each scheme. This may resolve any conflict between these proposed principles and the existing requirements for insurers under established guidelines, and use an existing enforcement framework. Embedding the principles in the Motor Accident Guidelines for example, would require insurers to adhere to them as a condition of their licence (per section 10.7 of the *Motor Accident Injuries Act 2017*).

THE LAW SOCIETY OF NEW SOUTH WALES

170 Phillip Street, Sydney NSW 2000, DX 362 Sydney
ACN 000 000 699 ABN 98 696 304 966

T +61 2 9926 0333 F +61 2 9231 5809
www.lawsociety.com.au



Law Council
OF AUSTRALIA
CONSTITUENT BODY

Thank you for the opportunity to comment on this consultation paper. Should you have any questions or require further information, please contact [REDACTED]

Yours sincerely

[REDACTED]
Elizabeth Espinosa
President