



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

TONY WINDSOR MP
INDEPENDENT
FEDERAL MEMBER FOR NEW ENGLAND

Shop 5
259 Peel Street
TAMWORTH NSW 2340

All Mail: PO Box 963
TAMWORTH NSW 2340

Ph: (02) 6761 3080
Toll Free: 1300 301 839
Fax: (02) 6761 3380
e-mail: Tony.Windsor.MP@aph.gov.au
Web Page: www.tonywindsor.com.au

MEDIA RELEASE

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Has your public liability insurance premium got cheaper?

Independent Member for New England, Tony Windsor is asking people in the electorate to contact him with regard to their public liability insurance premiums in light of claims made by the Australian Competition and Consumer Commission report monitoring public liability and professional indemnity insurance costs and premiums.

The report shows that in the first half of 2004, the average premium for **public liability insurance** fell by 15 per cent, the average claims cost decreased by 11 per cent, and insurers' financial performance from underwriting public liability insurance declined with most insurers expecting premiums to remain stable or fall further in 2005, with reforms expected to have an impact on public liability insurance costs and premiums in the mid to long term.

According to the ACCC Chairman, Mr Graeme Samuel, this is the first sign of a downward movement in premiums and are counter to the trends observed in recent years, and could have been caused by a range of factors, including tort law reforms.

“The ACCC report on public liability average premiums shows a significant decline.

What I am asking people in the New England electorate to do is to go back over their premiums of the last few years since the major increases in public liability insurance premiums came into being and see if their premiums have experienced the decline claimed by the ACCC and welcomed by the Minister for Revenue and the Assistant Treasurer, the Hon Mal Brough.

I am hoping that this is the case for all of our community groups and small businesses as well as the big businesses but I would like to hear from all people either as individuals or as part of a community group with their own evidence to make sure we are experiencing the reported decline too,” Mr Windsor said.

Mr Windsor said there has been an attempt at both State and Federal Government levels, to bring the Public Liability issue under control but high premiums were still having a major impact on country communities.

“My office has received many calls, letters, emails and faxes from people experiencing overbearing public liability insurance premiums over the last few years and whilst the State Government has introduced Tort Law reforms limiting claims and responsibilities and the Federal Government has moved to close loopholes in the Trade Practices Act, the fact remains that Public Liability insurance premiums are still very expensive and a major cause of decline of activity in country Australia.

I look forward to hearing from people in the New England electorate with details to convince me that what is being claimed is actually happening at the grassroots level,” Mr Windsor said.

For further information contact Tony Windsor - 0427 668868 or 02 6761 3080