



**Australian Government**  
**Department of Health and Ageing**

E No:
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The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
PO Box 1199  
DICKSON ACT 2602

Dear Mr Gregson

**Application by the Investment and Financial Services Association for revocation and substitution of Authorisations A90857 and A90869**

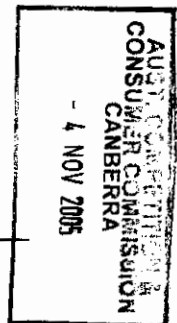
I refer to your letter of 11 October 2005 on the application by the Investment and Financial Services Association (IFSA) for re-authorisation of the agreements which provide that IFSA members will not require applicants for life insurance to undergo genetic tests and will not induce applicants to undergo such testing by offering insurance at a lower than standard premium rate.

As indicated in our advice to the Commission in letters dated 24 December 2002 and 11 November 2003, the Department considers that the use of genetic information in the context of underwriting for mutually rated insurance policies, including life insurance, is an issue affecting healthcare.

The Department is concerned that any adverse impacts from the use of genetic information for life insurance underwriting could affect the willingness of individuals to undertake genetic testing for personal health or research purposes. It considers that, within the context of expected on-going use of genetic information by the life insurance sector, the agreements covered by the existing authorisations minimise the extent to which genetic testing for health purposes is affected by insurance considerations. Accordingly, it agrees that public benefit will flow from continuing to grant immunity to the conduct and supports IFSA's application.

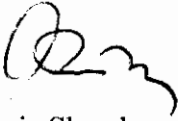
As noted in your letter, the Australian Law Reform Commission/Australian Health Ethics Committee Report 'The Protection of Human Genetic Information in Australia' made a number of recommendations in relation to the use of genetic information within the insurance industry. Although some of these recommendations, including the establishment of an advisory body on human genetics, are currently being implemented, the whole-of-government response to the recommendations, including those recommendations affecting the insurance, has not yet been finalised.

The recommendations do not directly refer to the IFSA agreements which are the subject of current authorisations. However, the Human Genetics Advisory Committee which was announced in the 2005-06 Budget will have the capacity to consider insurance issues and provide advice on current insurance practices. The Committee is due to commence operations in early 2006.



In view of uncertainty about the policy priorities of the Committee and the time needed to consult and advise on the long term merits of the authorisations, the Department considers that options for the period of the proposed substitute authorisations sought by IFSA are appropriate.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Sheedy', with a stylized flourish at the end.

Chris Sheedy  
Assistant Secretary  
Diagnostics and Technology Branch

2 November 2005