



21 July 2008

By email: susan.philp@accc.gov.au

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Sir/Madam

**Request to convene a pre-decision conference
Insurance Council of Australia application for authorisation A91086**

We write on behalf of Consumer Action Law Centre, West Heidelberg Community Legal Service and Consumers' Federation of Australia to request that the Australian Competition and Consumer Commission (**ACCC**) hold a pre-decision conference in relation to its draft determination in respect of the application for authorisation lodged by the Insurance Council of Australia (**ICA**) on 20 March 2008 (the **Application**), pursuant to section 90A of the *Trade Practices Act 1974*.

We have only recently been made aware of the ICA's Application and are concerned to ensure that the consumer interest is fully canvassed in the ACCC's consideration of the Application. Despite the ICA's awareness for many years of consumer concerns about the coverage of flood damage under general insurance policies, there has been no consultation with consumer representatives regarding this proposal, including through the ICA's own Consumer Consultative Committee. A pre-decision conference would therefore provide the necessary forum for this important consultation to occur.

In particular, we are concerned that the ICA's proposal for a common definition of "inland flood" will potentially restrict competition by preventing insurance product differentiation, while at the same time providing little if any benefit to consumers and potentially causing further detriment. We also agree with the ACCC that the ICA's current communications campaign proposals are inadequate to ensure a sufficient public benefit is achieved.

We look forward to hearing from you. If you have any questions, please contact us on 03 9670 5088 (Consumer Action).

Yours sincerely

CONSUMER ACTION LAW CENTRE

A handwritten signature in black ink, appearing to read 'Nicole Rich', written in a cursive style.

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Also on behalf of:
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