

Blanch, Belinda

From: Michael Green
Sent: Friday, 14 March 2014 11:03 AM
To: Adjudication
Subject: Australian Newsagents Federation - Revocation and Substitution A91407 (Application)

Categories: Submission

Dear Sir/Madam

I refer to the Target notification addressed to Aon Risk Services Australia Limited (**Aon**) in connection with the Application.

Aon has been identified as a Target supplier in the Application.

Aon carries on business as a general insurance broker and risk management adviser operating under AFSL 241141. Aon is part of the Aon Group, which is a global provider of risk management services, insurance and reinsurance intermediary services, human capital consulting and outsourcing.

Aon has not previously provided services to the Applicant but anticipates that if it was engaged during the five year authorization period, it would be in the capacity as an insurance broker to arrange group insurances for the Applicant and its members.

The group procurement of insurances through a peak body is common in the Australian insurance market and provides the ability to obtain advantageous pricing (through the group purchasing body) from insurers based on purchase size and economies of scale.

Those insurance purchase cost savings (unavailable by individual bargaining) are then capable of being passed on to the public.

Aon considers that at the insurance supplier level, collective negotiation in this case does not lead to any public detriment.

Accordingly, Aon wishes to confirm that it has **no objection** to the Application.

Yours faithfully

Michael Green | Aon Australia/Pacific
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e:

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