Gladys Berejiklian
Treasurer
Minister for Industrial Relations

MEDIA RELEASE

Tuesday, 9 August 2016

EMERGENCY SERVICES LEVY INSURANCE MONITOR REPORT RELEASED

Consumer advocates Professor Allan Fels and Professor David Cousins AM have released their first report as NSW's Emergency Services Levy Insurance Monitors, warning insurance companies face hefty fines if they do not pass savings onto customers.

As announced in December 2015, the NSW Government will replace the insurance-based Emergency Services Levy (ESL) with a fairer Emergency Services Property Levy (ESPL) to be paid by all property owners alongside council rates from July 2017.

"The work of Prof Fels and Prof Cousins will be critical in ensuring that insurers pass on the benefits of abolishing the ESL to households and businesses through lower insurance premiums," Ms Berejiklian said.

The vast majority of insured residential property owners are expected to be better off under the ESPL with the average insured property owner saving about $40 a year on their policy. The ESPL will be budget neutral and will not raise any extra revenue for the Government.

"Our job is to protect consumers and ensure that insurers pass on savings," Prof Fels said.

"Penalties up to $10 million can apply to corporations and $500,000 for individuals if insurance price exploitation is found.

"These sanctions apply equally to any person who aids, abets, counsels or procures another person to engage in prohibited conduct, induces another person to engage in this conduct, or conspires with another person to do so."

An Insurance Monitor Hotline has also been established (1300 607 723). Further information on the Monitor and a copy of the first quarterly report can be found at: www.eslinsurancemonitor.nsw.gov.au. Information on the ESPL changes can be found at: www.emergencyservicespropertylevy.nsw.gov.au

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