

Manager, General Insurance Statistics
Australian Prudential Regulation Authority

I note your Discussion Paper of 22 February states APRA is not aware of any use of its public insurer statistics.

The Commonwealth Grants Commission has sought premiums data (including for public insurers) from APRA (and its predecessor the ISC) since the early 1990s. The commission uses the data to assess the capacity of State and Territory governments to raise revenue from stamp duty on insurance. This assessment forms part of our annual recommendations to the Commonwealth Treasurer on the distribution of the GST revenue. The insurance assessment redistributes some \$100 million of GST revenue between States and Territories.

If APRA were to no longer release the data, we would need to advise States that we would either have to cease the assessment or source the data from elsewhere. While most of these data are available from public insurers, there are several instances where a public insurer provides more than one class of insurance and does not make data available separately by business class. The commission prefers to source its data from third parties (such as APRA and the ABS) rather than from State and Territory Treasuries. It has found that third party data are comparable and consistent and it avoids the moral hazard aspect of sourcing data from States and Territories.

Should you wish to discuss the commission's data needs, our contact officers are Jeff Evans and Glenn Pure. I have included them in this email so that you have their email addresses.

Dermot Doherty
Assistant Secretary
Commonwealth Grants Commission