

Australia's Export Inquiry  
Productivity Commission  
Locked Bag 2, Collins Street East  
Melbourne VIC 8003  
Attention: Dr Warren Mundy, Commissioner

**Email:** exportcredit@pc.gov.au

18 November 2011

Dear Dr Mundy

### **AUSTRALIA'S EXPORT CREDIT ARRANGEMENTS**

The Insurance Council of Australia<sup>1</sup> (**Insurance Council**) welcomes the opportunity to provide input to the Productivity Commission's current inquiry into Australia's export credit arrangements. As discussed at the meeting on 14 October with yourself and Ms Heaney, the Insurance Council restricts its comments to issues around EFIC's provision of insurance.

The Insurance Council has consulted its members that provide export credit insurance and can confirm the view put at the 14 October meeting that EFIC focuses on riskier, longer term export credit business and does not compete with the activities of Australian private sector insurers.

If you require further information, please contact the Insurance Council's General Manager Policy – Regulation, Mr John Anning

Yours sincerely

Robert Whelan  
Executive Director & CEO

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<sup>1</sup> The Insurance Council of Australia is the representative body of the general insurance industry in Australia. Our members represent more than 90 percent of total premium income written by private sector general insurers. Insurance Council members, both insurers and reinsurers, are a significant part of the financial services system. March 2011 Australian Prudential Regulation Authority statistics show that the private sector insurance industry generates gross written premium of \$34.3 billion per annum and has total assets of \$110.8 billion. The industry employs approx 60,000 people and on average pays out about \$91 million in claims each working day.

Insurance Council members provide insurance products ranging from those usually purchased by individuals (such as home and contents insurance, travel insurance, motor vehicle insurance) to those purchased by small businesses and larger organisations (such as product and public liability insurance, professional indemnity insurance, commercial property, and directors and officers insurance).