

2 December 2024

Select Committee on the Impact of Climate Risk on Insurance Premiums and Availability  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

By Email: [climaterisk.insurance.sen@aph.gov.au](mailto:climaterisk.insurance.sen@aph.gov.au)

Dear Committee

On 18 June 2024 we made a submission to your Committee noting that, as the key consumer voice in strata insurance, OCN welcomes this Inquiry and is happy to engage with the Committee on any aspect of this submission, and to develop solutions to the issues identified.

We wish to make several corrections as an addendum to that submission:

P2: Add ***“a half share of”*** before BAC in the 2017-18 timeline point.

P3: At 2024, add ***“AUB completes acquisition of MGA broker network which owns Australia’s third largest strata management business, Adelaide-based Whittles.”***

P5:

1st para: Add ***“and AUB’s”*** after both references to Steadfast

2<sup>nd</sup> para: Add ***“according to one credible market analysis”*** after ***“However”***

3<sup>rd</sup> para: Add: ***AUB’s most recent investor presentation highlighted the contribution of these agencies to overall group profitability.***

4<sup>th</sup> para: Amend as follows:

For Steadfast, its ***influence*** extends beyond insurance underwriting and broking. It is a ***minor*** shareholder ***and represented on the board of*** listed building services group Johns Lyng, which in turn is a major provider of claims services to CHU, and the controlling shareholder of Australia’s second largest strata management agency group, Bright and Duggan.

6<sup>th</sup> para: replace ***“can”*** with ***“theoretically could”*** after ***“the 200,000 PICA clients.”***

P6:

3<sup>rd</sup> para: Replace ***“the Steadfast or AUB groups”*** with ***“the Steadfast group”***

Add sentence at end of para:

***“In investor presentations, AUB highlights the ‘synergistic’ benefits of its underwriting agency acquisitions, lifting gross written premium from these related agencies through its broker channels from \$75m in FY21 to \$200m in FY22 and \$300m in FY23, with ‘an ongoing focus to improve Agency offerings that better align to AUB brokers’ needs’.”***

P7:

2<sup>nd</sup> Last para: Add ***“apparent”*** before ***“absence of competition”***

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P8:

Last para: Delete sentence *"Given Steadfast's dominance of the downstream intermediary channels, CHU appears to be able to do so without any serious competitive threat to its target market of good risks."*

2<sup>nd</sup> para: Delete: *"(mainly Axis)"* after *"other Steadfast agencies"*

Sincerely

A handwritten signature in dark grey ink, reading "K Stiles". The "K" is stylized with a long vertical stroke and a short horizontal stroke.

Karen Stiles

Policy Director

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