

7 December 2014

## SUNCORP GROUP WELCOMES FINANCIAL SYSTEM INQUIRY REPORT

Suncorp Group today welcomed the Financial System Inquiry Report and commended the Inquiry committee on its consultative approach and focus on efficiency, resilience and fairness as a blueprint for the system over the next 10 to 20 years.

Suncorp Group CEO Patrick Snowball said the Group would take some time to review the 320-page report and welcomed consultation with the Federal Government and regulators in the months ahead.

Mr Snowball said on first review of the Report, he was encouraged by recommendations which:

- improved the competitive landscape in banking;
- highlighted the importance of natural hazard mitigation;
- rationalised legacy products in life insurance; and
- supported privatisation of state-based compulsory third party and workers compensation.

“The relative stability of the financial system is no excuse for complacency. We need to ensure we can deliver good outcomes for consumers and the economy into the future,” he said.

“Australia wants and needs a strong multi-tiered financial services sector. The recommendations which drive toward competitive neutrality address some of the anomalies between the capital holdings of major and regional banks. This is important to levelling the playing field for the benefit of consumers.

“Regional banks are a critical part of a strong, trusted and competitive banking sector, bringing choice and competitive tension to the market.

“Suncorp Group has been a strong advocate for natural hazard mitigation. We welcome improved access to data on hazard risk and the focus on development planning, construction standards and mitigation efforts such as levees which protect communities.

“Importantly, the Inquiry reiterated the findings of the Government Actuary that insurers are providing appropriate risk-based products and pricing.

“In life insurance, the recommendation to rationalise legacy products is welcomed.”

### ENDS

For more information contact:

**Media:**

**Analysts/Investors:**

Michelle Barry 0402 892 789

Mark Ley 0411 139 134