



Investment & Financial Services Association Ltd

ACN 080 744 163

3rd July 2009

Professor Neil Rees
Chairman
Victorian Law Reform Commission
GPO Box 4637
Melbourne Victoria 3001

Email: law.reform@lawreform.vic.gov.au

Dear Professor Rees,

Re: Review of Victorian Surveillance Legislation for Public Places

We welcome the opportunity to provide comments on the Surveillance in Public Places consultation paper and appreciate the extension of time to lodge our submission with the Commission.

The Investment & Financial Services Association (**IFSA**) is a national not-for-profit organisation which represents the retail and wholesale funds management, superannuation and life insurance industries. IFSA has over 145 members who are responsible for investing over \$1 trillion on behalf of more than ten million Australians. Members' compliance with IFSA Standards and Guidance Notes ensures the promotion of industry best practice.

IFSA supports the intent of the review to better understand how technological advances have changed the practice of surveillance and the need to assess whether Victorian laws are adequate. However our preference is for the Commission to recommend and work towards a uniform Federal legislative framework, thereby removing any overlap and uncertainty between Federal and State laws.

A number of our members are life insurers and are therefore often required to investigate the veracity of statements made to support a claim. This commonly occurs in the assessment of disability insurance claims. Generally, only a small minority of claimants are subjected to any surveillance – and only where there are significant discrepancies in the information supplied to the insurance company.

In such circumstances, It is critically important to allow the insurance industry to maintain current surveillance practices. Surveillance activity ensures costs and premiums are kept in check by the detection and deterrence of fraud. In short, surveillance allows insurance companies to independently verify that the statements made to them are true.

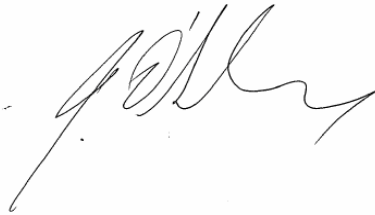
Given the important public policy benefits in the provision of efficiently priced life insurance to Australians, IFSA requests that the Victorian Attorney-General recommend that legislation regarding surveillance in public places be referred to the Council of Australian Governments for consideration.

We strongly believe that this is an area where State Governments can work together to develop a uniform regime which allows insurance providers and others to operate with certainty. In this respect, any reform to the Victorian regime could be used as the model legislation to be considered for adoption by the other States.

Should the Victorian Government wish to pursue these State based reforms, we seek confirmation that life insurance providers will not be adversely affected by the reforms such that they are unable or hindered in their ability to perform legitimate surveillance activities.

Please contact me on (02) 9299 3022 should you require further information or wish to discuss any aspect of this submission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John O'Shaughnessy', written in a cursive style.

John O'Shaughnessy
Deputy CEO