



**CONSUMERS FEDERATION OF AUSTRALIA  
MEDIA RELEASE – 2 March 2009**

**Insurance Council Misleads Public**

The Insurance Council of Australia appears to be seeking a political advantage from the bushfire disaster by exaggerating and misrepresenting their own research findings according to the Consumers Federation of Australia.

The Council's press release claims that 24.5% of Victorian households do not have any home and contents insurance. The press release implies that a high level of homeowners do not have building insurance. However the Council's research showed that that only 4.1% of Victorian homeowners had failed to insure their home. Most of the 24.5% did not own a home.

Spokesperson Denis Nelthorpe said many of the 24.5% of non - insured people were not homeowners, but tenants and low-income earners who could not afford contents insurance. The Insurance Council should not have combined the figures for building and contents insurance.

Further, the Insurance Council did not reveal that the report noted that many of uninsured homeowners were pensioners who could no longer afford insurance premiums. It was not clear from the report that the removal of the fire levy would assist these consumers.

The Consumer's Federation of Australia is outraged by any suggestion that these uninsured consumers should not be entitled to assistance from the Victorian Bushfire Appeal Fund.

The press release was part of an ongoing campaign by the insurance industry against the fire services levy. The Victorian public should not be subjected to such cynical manipulation of research findings.

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