

10 October 2025

Insurance Unit  
Financial System Division  
The Treasury  
Langton Crescent  
Parkes ACT 2600

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Dear Sir/Madam,

## Consultation: Ban on genetic tests in life insurance – draft legislation

The Actuaries Institute (**Institute**) welcomes the opportunity to provide feedback to the consultation on the draft legislation to ban the use of genetic test results in life insurance underwriting. This covers the exposure draft of the legislation '**Treasury Laws Amendment Bill 2025: Limiting the use of genetic information by life insurers**' (ED) and the ED Explanatory Materials.

The Institute is the peak professional body for actuaries in Australia. Our members work in a wide range of fields, including insurance, superannuation and retirement incomes, banking, enterprise risk management, data science and AI, climate change impacts and government services. The Institute has a longstanding commitment to contribute to public policy discussions where our members have relevant expertise.

The comments made in this submission are guided by the Institute's [Public Policy principles](#) that any policy measures or changes should promote public wellbeing, consider potential impacts on equity, be evidenced-based and support effectively regulated systems.

### Broad Support for the Draft Legislation

The Institute reiterates its support for a legislated ban on the use of adverse genetic test results in life insurance underwriting. An effective ban will give the Australian community certainty and assurance on the way forward and support medical advances that can benefit society in many potentially profound ways.

To inform the final design of the legislation, we make the following observations.

- **We support the ban applying to protected genetic information in a life insurance contract decision.**

Applying the ban for any purpose that involves underwriting will make it clearer for consumers and the community to understand the new regime. For consumers considering whether to undertake a genetic test, the ban provides assurance that these results need not be disclosed and cannot therefore be used to disadvantage their ability to purchase individually underwritten life insurance.

- **We support the protections in place to ensure genetic test results are collected and used with appropriate consumer consent, and encourage consideration being given to consumer consent being standardised.**

Should genetic test results be collected by a life insurer (or their agent), we note the proposed ban would first require that consent be obtained in writing in a form that may be approved by ASIC. This will help ensure that consent is collected by individual insurers (or their agents) in an appropriate way. To promote consistency of how consent is collected across the community and therefore better support consumer understanding and trust, we would support in-principle a role for the life insurance industry body to develop a standard consent form that could be submitted to ASIC for approval.

- **We note and support the proposed penalties for failing to comply with the ban.**

The proposed penalties are designed to act as a strong deterrence for insurer misconduct and provide confidence to consumers and the community in the legislated ban.

- **If a consumer consents to disclosing their genetic test results for a potentially more favourable underwriting outcome, they should provide the full genetic testing results they have available, rather than the draft legislation option for selective disclosure.**

If the consumer elects to submit their genetic tests to the insurer, we recommend that the consumer should be required to fully disclose all genetic testing results to the insurer. This recommendation would remove the incentive to selectively disclose only (what the consumer considers to be) favourable aspects of the results. This requirement would be consistent with both consumers and insurers meeting the utmost good faith requirement in sharing information.

- **We note the proposed widely designed protection of all genetic information relating to participation in health or medical research.**

The ban is proposed to include any information, including a clinical diagnosis of a disease, generated in the course of health or medical research. This is wider than the ban proposed in earlier consultations which applied to the use of predictive genetic test information. We note “health or medical research” is not proposed to be defined specifically for the purposes of the ban and would therefore take its ordinary meaning. We acknowledge that this proposal should give absolute assurance to individuals participating in any health or medical research that there would be no impact to their ability to obtain life insurance cover. We note however, a key principle of insurance is that the risk that is insured relates to a future contingent event that is not fully known by either the insured or the insurer. We have some concern that the proposed ban in its current format may undermine equity across all life insurance policyholders. The 5-yearly review mechanism and our additional recommendation for ongoing data collection and monitoring (refer below) will be two critical protections to manage this risk.

- **We strongly support the mandatory 5-yearly review mechanism.**

Genetics research is a rapidly advancing field, and the implications to healthcare and insurance are still emerging. Advances in this technology could have wide ranging and profound ramifications. A well-designed mandatory review mechanism will support this legislation being able to respond appropriately to these advances, balancing accessibility of insurance and equity to the insured population as a whole. To support a robust review mechanism (and well considered outcomes), the Institute recommends reviews involve fair representation from diverse groups across academia, consumer groups, the insurance industry and the medical industry.

- **We recommend that the Government, in partnership with genetic and life insurance peak bodies and other key stakeholders, explore how best to regularly collect and monitor population-level genetic testing data sourced from genetic testing providers.**

The ability to gain an understanding of genetic testing trends and related health impacts at a population-level is critical for society. Making publicly available broader population-level analysis will help identify emerging health trends and support consumer access to a sustainable life insurance offering. It would also help Government to monitor the ban's continued appropriateness by contributing to the quantitative evidence available for the 5-yearly review mechanism.

The Institute may be contacted regarding this submission. If you would like to do so, please contact us via (02) 9239 6100 or [public\\_policy@actuaries.asn.au](mailto:public_policy@actuaries.asn.au).

Yours sincerely

(Signed) Elayne Grace  
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