Department of Treasury and Finance

Parliamentary Briefing

Treasurer

Tasmanian Government

Subject: T46. TasInsure

Date prepared: 5 September 2025

Current until: 31 October 2025

Key messages

- In recent years, Tasmanian households and businesses have been adversely impacted by rising insurance costs across a range of policies.
- This trend of increasing premiums has also occurred nationally.
- The increased costs have been partly driven by the increasing occurrence and likelihood of natural disasters, including floods and bushfires.
- Aside from increased premiums, this has also led to some businesses and homeowners facing significant challenges in being able to obtain an affordable insurance policy.

[redacted]

S27

Key issues (including data)

s27

[redacted]

Background

- In response to the increased unaffordability and inaccessibility of insurance products, in July 2025, the Tasmanian Liberal Party announced an intention to establish a State-owned insurance company, if successful in the 2025 Tasmanian Election.

- The insurance company, TasInsure, would initially provide home and contents insurance, small business insurance, community groups and events insurance, and regional insurance. It was stated that this would save households up to $250 per year and provide premiums that were 20 per cent lower for small businesses.

[redacted] s27

Document reference: 25/176415 [redacted] s36

[redacted]

From: [redacted]tas.liberal.org.au>
Sent: Wednesday, 16 July 2025 11:40 AM
To: Election Costings; [redacted]
Subject: Election Policy Costing
Attachments: Election Policy Costing Request - TasInsure.docx

Good Morning,

Please find the **attached** policy for costing.

Please do not hesitate to contact me if you have any questions.

Thank you.

Kind regards,

[redacted]

Appendix A: Request for costing template

Policy Information

Name of policy	TasInsure
Person requesting costing	s36 [redacted]
Date of public release of policy	11 July 2025
Date of request to cost policy	16 July 2025
Description of policy	Establish a new Government-owned Business – TasInsure – that will provide: - Home and contents insurance; - Small business insurance; - Community and event insurance; and - Regional insurance, to Tasmanians and Tasmanians businesses. The initial capitalisation for the establishment of TasInsure will be leveraged from MAIB reserves. It will operate separately from the general government sector, and will be will designed so as to not impact on compulsory third-party insurance premiums. The Governance arrangements of TasInsure will include a skills-based board with strong actuarial and risk oversight. The Board will be tasked with operating the enterprise commercially; however, the objectives of the Board will include the administration of the enterprise in a way that delivers: - cheaper insurance for policy-holders compared with alternative insurers; - The stabilisation of premiums in regional and high-risk communities; - Provide genuine alternatives for Tasmanian policy holders seeing to maintain Tasmanian-based insurance; and - Support regional disaster and recovery relief. Once established, TasInsure's commercial and operating model will feature a cost-recovery component. Rather than operating for the purpose of profit derivation or dividend generation, TasInsure's model will seek to leverage its balance sheet to deliver affordable and targeted insurance(s) to Tasmanians.

	In this context, it is anticipated that TasInsure's ongoing operational expenses will be self-sustainable and will not require without additional general government sector support. Given the establishment of TasInsure is not for the purposes of profit maximisation, the cost-recovery model to cover operational expenditure significantly aligns with the principle of reducing insurance costs for Tasmanians. Additionally, it is expected that this model will resolve the very market failure for which necessitated the establishment of TasInsure. Importantly, the TasInsure, and by extension, the State of Tasmania, will not use any taxpayer funds or commercial resources to enter into an arrangement with any individual or third-party entity seeking to commercially benefit from exploiting the intellectual property rights of TasInsure, including naming rights.
Link to public release of policy	https://tas.liberal.org.au/news/2025/07/02/cheaper-insurance-locked-tasmanians-0
Related polices (if applicable)	N/A

Policy Assumptions

Implementation: Department or entity responsible	Department of Treasury and Finance
Timeframe: Fixed term or ongoing	Ongoing
Start Date: Commencement year	2025

Financial Implications

	2025-26	2026-27	2027-28	2028-29
	$,000	**$,000**	**$,000**	**$,000**
Revenue - increase				
Revenue - (decrease)				

Expenses - increase

Expenses - (decrease)

Capital Purchases - increases

Capital Purchases - (decrease)

Other relevant information
Given the existing resources in the Public Sector, and the existing expertise of the Department of Treasury and Finance (in collaboration with the Office of Parliamentary Council) it is expected that there are no actual or expected financial impacts associated with this policy, as the policy can be implemented utilising existing resources.

[redacted]

From: [redacted]
Sent: Wednesday, 16 July 2025 2:20 PM
To: [redacted]
Subject: FW: input into TasInsure costing

From: [redacted]@treasury.tas.gov.au>
Sent: Wednesday, 16 July 2025 1:51 PM
To: [redacted]@treasury.tas.gov.au>
Subject: input into TasInsure costing

[redacted]

Tasmanian Government

[redacted]

w www.treasury.tas.gov.au
21 Murray Street, Hobart, TAS 7000 | GPO Box 147, Hobart TAS 7001

Costing Report

Policy Information:

Name of policy	TasInsure
Person requesting costing	Dale Ayres (OBO Jeremy Rockliff MP)
Date of public release of policy	2 July 2025
Date of request to cost policy	15 July 2025
Description of policy	Establish a new Government-owned Business – TasInsure – that will provide: • Home and contents insurance; • Small business insurance; • Community and event insurance; and • Regional insurance to Tasmanians and Tasmanians businesses.
Link to public release of policy	https://tas.liberal.org.au/news/2025/07/02/cheaper-insurance-locked-tasmanians-0
Related policies (if applicable)	

Financial Implications:

	2025-26 $'000	2026-27 $'000	2027-28 $'000	2028-29 $'000
Revenue - increase				
Revenue - (decrease)				
Expenses - increase				
Expenses - (decrease)[1]				
Capital Purchases - increase[2]				
Capital Purchases - (decrease)[1, 2]				

Notes:
1. A decrease includes existing funding that can be re-directed to fund initiatives or other costs.
2. Capital purchases reflect the purchase or construction of assets and should not be included in Expenses.

Other relevant information

Treasury is unable to cost this policy due to insufficient information. There is limited detail available on the structure, governance, legislative and financing requirements that will apply to the new entity. Further policy and legislation development work will be required in order to ascertain the likely costs of the policy.

However, it is anticipated that the establishment of a new Government-owned business, with a skills-based board, providing a range of insurance products in Tasmania, would incur additional costs.

The policy states that MAIB reserves will be leveraged for the initial capitalisation of the new entity. It is noted that any reduction in MAIB's reserves could have an adverse impact on its returns to Government.

It is unclear whether the MAIB reserves proposed to be utilised for the establishment of TasInsure would be sufficient to meet both the establishment costs for the entity, as well as provide adequate assets to meet estimated liabilities as initial policies are written and premium reserves are built up over time.

[redacted]

From: Election Costings
Sent: Friday, 18 July 2025 12:28 PM
To: [redacted]
Subject: Release of Election Policy Costings
Attachments: Liberal policy costing - TasInsure.pdf

Dear [redacted]

Please find attached election policy costing prepared by Treasury as per the Guidelines for Costing Election Policies 2025:

- TasInsure

These costings will be released publicly via Treasury's website (www.treasury.tas.gov.au). Treasury will allow at least an hour from when this email is sent before the costings are published.

Should you require further information, please respond to this email or contact [redacted]

Kind regards

Tasmanian Government

Election Costings
Department of Treasury and Finance
e electioncostings@treasury.tas.gov.au
w www.treasury.tas.gov.au
21 Murray Street, Hobart, TAS 7000 | GPO Box 147, Hobart, TAS 7001

Department of Treasury and Finance

2025 Incoming Government Briefing

Subject	D-T8. Government Business Key Issues (Liberal)
Category	Decisions

Introduction

out-of-scope

[redacted]

[1] The going concern principle is an assumption that the entity will continue to operate for the foreseeable future (being a minimum period of at least 12 months). Conversely, an entity that is not considered to be a going concern is one where it is not expected that the entity will continue to operate in the future.

out-of-scope

[redacted]

out-of-scope

[redacted]

out-of-scope

[redacted]

TasInsure

- The Government committed at the 2025 election to establish a Government business, TasInsure, to offer insurance products for families, small businesses, and communities. The products that would be offered by TasInsure include home and contents insurance; small business insurance; community groups and event insurance; and regional insurance.
- As part of this, the Government committed to introducing legislation to establish TasInsure for consultation within 100 days of being sworn in, which would enable the entity to be "set up during 2026".
- The commitment outlined that TasInsure will operate in conjunction with MAIB, utilising MAIB's balance sheet to establish the business.

[redacted]

s27

- Treasury will provide further advice on the key considerations for the Government in relation to this policy.

Critical Dates

Timing	Decision to be taken
[redacted]	
As required	Policy decisions to facilitate the establishment of a new Government business, TasInsure
[redacted]	

References to other briefs

[redacted]

CM Ref: 25/140801 Contact: [redacted]