



STATISTICS

Intermediated general insurance statistics Highlights

December 2019 (issued 25 March 2020)

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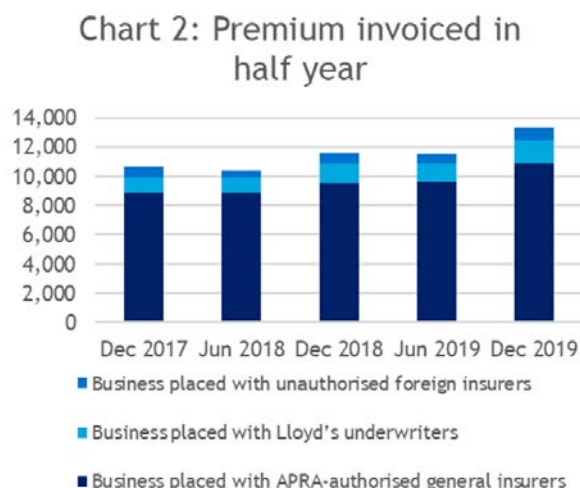
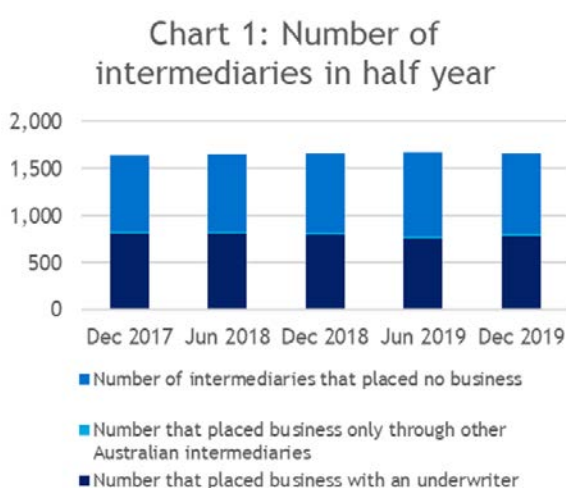
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Highlights for the year ended 31 December 2019

Aggregate business by intermediaries and authorised insurers

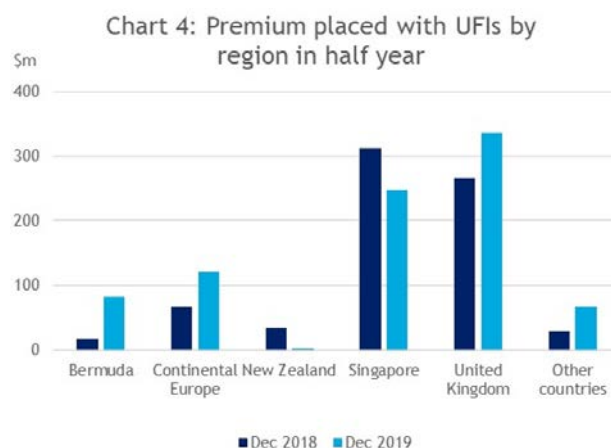
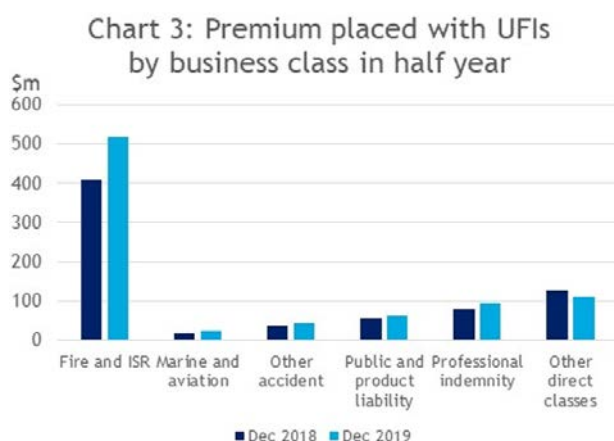
- As at 31 December 2019, there were 1,662 intermediaries licensed to conduct general insurance business. Of these:
 - 777 intermediaries (47 per cent) placed business directly with underwriters between 1 July 2019 and 31 December 2019 (the period);
 - 25 intermediaries (2 per cent) placed all their business directly through other Australian intermediaries; and
 - 860 intermediaries (52 per cent) did not place any general insurance business in the period (Chart 1).
- Of the 777 intermediaries that placed business directly with underwriters in the period:
 - 735 intermediaries (95 per cent) placed business with APRA-authorized general insurers;
 - 295 intermediaries (38 per cent) placed business with Lloyd's underwriters; and
 - 80 intermediaries (10 per cent) placed business with unauthorised foreign insurers (UFIs).
- Intermediaries invoiced \$13.4 billion in premium in the period. Of this:
 - \$10.9 billion (81 per cent) was placed with APRA-authorized general insurers;
 - \$1.7 billion (13 per cent) was placed with Lloyd's underwriters; and
 - \$0.9 billion (7 per cent) was placed with UFIs (Chart 2).



- Intermediaries placed \$10 billion in premium with APRA-authorized general insurers that were effective in the preceding six-month period. This represented approximately 47 per cent of the \$21.4 billion of direct premium written by APRA-authorized general insurers in the same period.

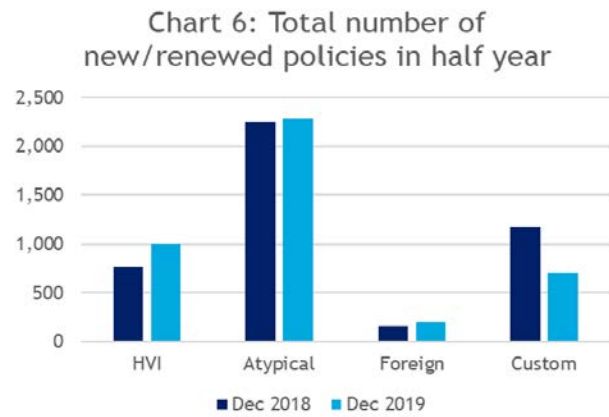
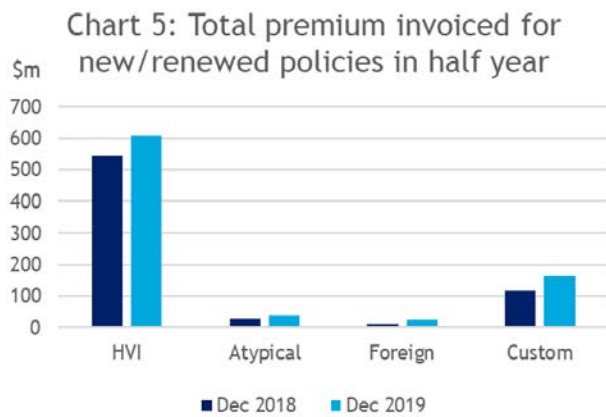
Business placed with UFI

- In the period, \$856 million in premium was placed with UFIs, up from \$728 million in the same period in the previous year. This \$128 million increase was mainly from fire and industrial special risk (ISR) placements (Chart 3).
- The premium placed with UFIs in the period was concentrated within the United Kingdom and Singapore, which accounted for \$336 million (39 per cent of the total) and \$248 million (29 per cent of the total), respectively (Chart 4).



- Of the premium placed with UFIs in the period, \$519 million (61 per cent of the total) was in the fire and ISR class. In the same period in the previous year, fire and ISR accounted for \$408 million in premium (56 per cent of the total).
- Of the four exemptions used by intermediaries to place business with UFIs (Chart 5):
 - the high-value-insured (HVI) exemption was used to place \$619 million (or 72 per cent of all business placed in the period), up from \$564 million in the same period in the previous year;
 - the atypical exemption was used to place \$41 million (5 per cent), up from \$32 million in the same period in the previous year;
 - the foreign exemption was used to place \$28 million (3 per cent) of business with UFIs, up from \$9 million in the same period in the previous year; and
 - the custom exemption was used to place \$168 million (or 20 per cent) of business with UFIs, up from \$123 million in the same period in the previous year.
- The total number of new or renewed policies placed in the period was 4,176, down from 4,355 policies placed in the same period in the previous year. This decrease was driven by a decrease in policies placed using the custom exemption (down to 706 policies from 1,182 policies in the same period the previous year) (Chart 6).

- The average premium of a new or renewed policy placed across all exemption types in the period increased to \$200,800 from \$161,100 in the same period in the previous year.





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