



Discussion Paper

Changes to general insurance statistical publications


15 December 2011

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Preamble

The Australian Prudential Regulation Authority (APRA) is a national statistical agency for the Australian financial sector, as well as the prudential regulator. APRA has for many years collected data, including insurance data, and released statistical publications.

APRA proposes to revise its general insurance statistical publications to help users more easily analyse the statistics, to make statistics available to users sooner and more frequently, and to prioritise publishing statistics that are most useful to users. This discussion paper outlines these proposed changes to APRA's general insurance publications, and seeks comments and suggestions from interested parties.

Next steps

Written submissions should be forwarded by 19 January 2012, preferably by email to:

Manager, General Insurance Statistics

Australian Prudential Regulation Authority

GPO Box 9836

Sydney NSW 2001

Email: statistics@apra.gov.au

Important

All information in submissions will be made available to the public on the APRA website unless you indicate that you would like all or part of your submission to remain in confidence. Automatically generated confidentiality statements in emails do not suffice for this purpose. Respondents who would like part of their submission to remain in confidence should provide this information marked as confidential in a separate attachment.

Submissions may be the subject of a request for access made under the *Freedom of Information Act 1982 (FOIA)*. APRA will determine such requests, if any, in accordance with the provisions of the FOIA. Information in the submission about any APRA regulated entity which is not in the public domain and which is identified as confidential will be protected by section 56 of the *Australian Prudential Regulation Authority Act 1998* and therefore will ordinarily be exempt from production under the FOIA.

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Glossary

AASB 1023	<i>Australian Accounting Standards Board Accounting Standard 1023 'General Insurance Contracts'.</i>
AIFRS	Australian equivalents to International Financial Reporting Standards.
APRA	<i>Australian Prudential Regulation Authority.</i>
APRA Act	<i>Australian Prudential Regulation Authority Act 1998.</i>
Company level publication	<i>General Insurance Company Level Statistics.</i>
FOIA	<i>Freedom of Information Act 1982.</i>
Half yearly bulletin	<i>Half Yearly General Insurance Bulletin.</i>
Public insurers	These insurers are controlled, or (where a statutory corporation) wholly owned by the Commonwealth government or the government of an Australian state or territory.
Quarterly publication	<i>Quarterly General Insurance Performance Statistics.</i>
Reference period	The reference period for a publication refers to the latest period for which data is included in that publication.
Supplementary statistical tables	<i>General Insurance Supplementary Statistical Tables.</i>

Executive Summary

To help users more easily analyse the statistics that APRA publishes, APRA proposes to publish its general insurance publications in additional database versions. APRA will continue to publish the current PDF and Excel versions of publications, with the additional database version intended to be easily imported into various tools to allow users to conduct more in-depth analysis.

To publish useful statistics sooner and more frequently, APRA proposes to transfer the publication of statistics from the *Half Yearly General Insurance Bulletin* (half yearly bulletin) to the *Quarterly General Insurance Performance Statistics* publication (quarterly publication) and a new annual publication, and cease publishing the half yearly bulletin. The statistics to be transferred to the quarterly publication will be available three months earlier than previously available in the half yearly bulletin.

APRA believes that the proposed changes to the general insurance statistical publications will promote understanding of the general insurance industry. The revised statistical publications are intended to assist research, public discussion on policy issues and well-informed decision making about the general insurance sector by regulators, policymakers, industry and the public.

Chapter 1 – Description of general insurance statistical publications

This chapter provides a description of APRA's general insurance statistical publications and the format in which these publications are released.

APRA publishes general insurance statistics in three statistical publications: a quarterly publication, a company level publication, and a half yearly bulletin. These publications can be viewed on APRA's website: <http://www.apra.gov.au/GI/Pages/general-insurers-statistics.aspx>.

The *Quarterly General Insurance Performance Statistics* publication (quarterly publication) provides industry aggregate summary statistics. The statistics cover financial performance, financial position, and capital adequacy. The publication also includes key statistics at a class of business level. The statistics in the publication are sourced from quarterly and annual returns submitted to APRA.

Occasionally, APRA publishes selected features in the quarterly publication. Selected features provide additional statistics or analysis relating to a particular topic of interest.

The *General Insurance Company Level Statistics* publication (company level publication) includes individual insurer data. The data covers financial performance, financial position and capital adequacy. Data in the publication are sourced from audited annual returns submitted to APRA. The company level publication also includes information on Lloyd's Australia. APRA published the first edition of the company level publication for the December 2010 reference period in June 2011. Previously, this data was published in the half yearly bulletin.

The *Half Yearly General Insurance Bulletin* (half yearly bulletin) includes information at both an individual insurer and aggregate industry level. It includes aggregated industry statistics, key entity specific information, public insurer information, and Lloyd's Australia information.

The statistics in the half yearly bulletin are sourced from audited annual returns submitted to APRA. The returns are based on the financial year end of each insurer, which can be any date within the 12 months up to, and including, the reference date of the publication.

The half yearly bulletin uses a mix of balance dates based on each insurer's own financial year. The aggregated statistics therefore do not represent the same twelve month period. In each edition of the publication, only half of the insurers' data are updated while the remaining half of the industry has not submitted a new annual return. This results in a publication which is less useful to users as trends and events can be obscured or smoothed. For example, the impact of flooding in North Queensland in the first quarter of 2008 was reflected in the June 2008 and December 2008 half yearly bulletins for some insurers (using a financial year to June 2008), and the December 2008 and June 2009 publications for other insurers (using a financial year to December 2008).

APRA produces figures in the quarterly publication and in the half yearly bulletin for the same reference period. Due to the difference in reporting periods which are aggregated, industry figures can differ between the two publications. For example, gross written premium for the 12 months to June 2010 in the quarterly publication was \$33.2 billion, while for financial years ended in the 12 months to June 2010 in the half yearly bulletin the comparative figure was \$32.9 billion. This difference can potentially be misinterpreted.

APRA also occasionally publishes selected features in the half yearly bulletin.

APRA published the half yearly bulletin up to December 2010. The half yearly bulletin has not been released since, following a change in APRA's general insurance reporting framework. The aggregate industry statistics for financial years ended in the 12 months to December 2010 would not have been meaningful as they would have been sourced from two incomparable reporting frameworks.

APRA currently publishes general insurance statistical publications in two electronic versions: Adobe PDF for printing and Microsoft Excel for analysis. The design and layout of all the statistical tables are the same in the PDF and Excel versions. The Excel versions of some publications contain more historical data.

Chapter 2 – APRA’s proposed changes to general insurance publications

This chapter describes APRA’s proposals and changes to its general insurance statistical publications.

APRA proposes to revise its general insurance statistical publications to help users more easily analyse the statistics, to make statistics available to users sooner and more frequently, and to prioritise publishing statistics that are most useful to users. As a result of APRA’s proposed changes to publications, the statistics in the half yearly bulletin will be published in other statistical publications. APRA therefore proposes to cease publishing the half yearly bulletin.

1. Additional database versions

To help users analyse the general insurance industry, APRA proposes to publish an additional version of all its general insurance statistical publications. This version will be in the format of a database, in which each data point will be in a separate row. The columns of each row would provide information about the data (metadata) such as the basis of calculation and reference period.

The proposed database version will contain all historical data published in the corresponding publication.

An example of the proposed database version of the quarterly publication is provided in appendix A. This example demonstrates the concept of the database version, which may be revised after feedback from industry. APRA seeks feedback on the proposed database version and the associated metadata.

APRA will continue to publish the current PDF and Excel versions of the publications. The database version is proposed in addition to these existing versions.

2. Include additional statistics in the database version of the quarterly publication

APRA proposes to include additional statistics in the database version of the quarterly publication. By doing so, APRA will provide users with access to more statistics on a quarterly basis, rather than a half-yearly basis, and sooner than currently available.

The database version of the quarterly publication will include an additional 49 statistics, including some statistics at a class of business level. These additional statistics are generally components of statistics already published in the quarterly publication, and relate to operating income and expenses, solvency, and premiums and claims by class of business. The quarterly publication database version will also split the ‘Other direct classes’ class of business reported in the PDF and Excel versions of the quarterly publication into its six component classes of business.

A list of the statistics proposed to be included in the database version, as well as the statistics currently published in the quarterly publication, is provided in appendix B.

3. Introduce General Insurance Supplementary Statistical Tables

APRA proposes to introduce the *General Insurance Supplementary Statistical Tables* publication (supplementary statistical tables), which will publish data that are only submitted to APRA annually.

APRA proposes to publish the supplementary statistical tables for the June reference period each year. The publication will include state level premiums and claims expenses and public insurer information (including aggregated statistics on financial performance, financial position, operational income and expenses, and premiums and claims by class of business).

A draft of the proposed supplementary statistical tables is provided in appendix C.

4. Cease the Half Yearly General Insurance Bulletin

As a result of the above proposals, APRA will release the majority of data previously included in the half yearly bulletin in other statistical publications. In some cases users will receive these statistics sooner and more frequently. For example, statistics included in the proposed quarterly publication database version will be released three months earlier than they were released in the half yearly bulletin.

The statistics in the half yearly bulletin that are not included in the proposed publications are the offshore profile of insurers and a reconciliation to AASB 1023 accounts. The offshore profile of insurers statistics comprises financial performance and position information based on the location of the risks being written. Recently published statistics show that the offshore business of individual general insurers is immaterial compared to their Australian business (for example, offshore gross written premium is less than two per cent of the Australian business in the most recent half yearly bulletin). The reconciliation to AASB 1023 accounts is no longer applicable following a change in the reporting framework which occurred on 1 July 2010.

APRA proposes to cease publishing the half yearly bulletin.

As described in Chapter 1, APRA occasionally publishes selected features in the quarterly publication and the half yearly bulletin. These selected features will continue to be included in quarterly publications following these proposed changes.

In its Discussion Paper *Proposed intermediated general insurance statistics* issued on 14 June 2011, APRA proposed to publish intermediated general insurance statistics. APRA intends to publish the first of its regular *General Insurance Intermediated Statistics* publications in the first quarter of 2012.

Chapter 3 – Benefits of the proposed changes

This chapter describes the benefits of the proposed changes to APRA's general insurance statistical publications.

APRA seeks to provide comprehensive and consistent statistics on general insurance that are useful and deservedly trusted. APRA believes that the proposed changes will promote understanding of the general insurance industry. The revised statistical publications are intended to assist research, public discussion on policy issues and well-informed decision making about the general insurance sector by regulators, policymakers, industry and the public.

APRA believes that these proposed changes will:

- Help users analyse APRA statistics: The proposed database version will allow users to analyse statistics with their own statistical tools or applications, including Excel pivot tables. The database version is intended to be easily imported into various tools to allow users to conduct more in-depth analysis. It is also intended to provide a complete history of all the published statistics from the corresponding publication. This will allow users to extract, compare and analyse time series more easily.
- Provide more frequent statistics released sooner: The proposed changes will provide users with access to more statistics on a quarterly basis. APRA will include 49 additional statistics, including some statistics at a class of business level, in the database version of the quarterly publication. The quarterly publication database version will also split the 'Other direct classes' class of business reported in the existing versions of the quarterly publication into its six component classes of business. These statistics will be published four times a year, compared to twice a year for the half yearly bulletin, and will be available three months earlier than previously available in the half yearly bulletin. This will mean that users can perform more timely analysis and more readily discern changes in trends or relate significant events to a particular quarter.
- Provide consistent statistics: By transferring statistics from the half yearly bulletin to other statistical publications, the statistics will be aggregated for all insurers using a common reference period. This will mean that users will have a consistent basis for comparison over time. APRA considers that the statistics will be more useful and easier to interpret as there will only be a single figure produced for each reference period.
- Address user feedback: APRA conducts surveys of its stakeholders as part of its service charter commitments. APRA conducted a survey in 2011 of APRA-regulated institutions and other stakeholders. APRA believes that the proposed changes address some suggestions received in the survey. A number of respondents requested earlier publication of data, and the addition of more detailed data to publications. There were also requests for publications which included more 'raw' data, or be made available in a more 'electronic' form that can be manipulated easily. Respondents also suggested more use of trend analysis or the provision of time series.

Chapter 4 – Summary

The proposed changes to APRA's general insurance statistical publications outlined in this paper are intended to promote understanding of the general insurance industry. The revised statistical publications are intended to assist research, public discussion on policy issues and well-informed decision making about the general insurance sector by regulators, policymakers, industry and the public.

APRA seeks feedback from users on the proposed changes to general insurance statistical publications.

In addition, APRA welcomes further suggestions on potential ways to improve or expand the statistics that APRA publishes.

All comments on the publication of general insurance statistics should be sent preferably by email to:

Manager, General Insurance Statistics
Australian Prudential Regulation Authority
GPO Box 9836
Sydney NSW 2001
Email: statistics@apra.gov.au

Appendix A – An example of the proposed database version

The database version intends to help users easily analyse statistics. It will contain a complete history of the statistics published in the corresponding publication. Instead of presenting the data in the formatted tables of the statistical publications, each data point will be included in a separate row. Each column provides information about the data, for

example the class of business, the basis of calculation and the reporting framework. This will allow users to easily use the data in various tools, such as creating pivot tables, importing the data into their own database, or analysing these statistics in various statistical tools. Figure 1 provides a list of the columns that may be included in the database version.

Figure 1 – Example columns that may be included in the database version

Column names	Description
Data item	The name of the data point, e.g. gross written premium.
Industry sector	Data are separated into direct insurer and reinsurer sectors, or total industry for some statistics.
Class of business group	This column only applies to class of business level data. Data are separated into direct business and inwards reinsurance.
Class of business	This column only applies to class of business level data. Data are further separated into individual class of business (only applies to direct business).
Item code	This will provide a unique item name used to describe each data point.
Units	Units of the data point are in Australian dollars.
Subject	Data items are separated into financial performance, financial position or capital subject groups.
Category	Data items are further separated into sub-groups. E.g. Assets or Operational income.
Calculation basis	Basis of calculation for each data point. E.g. Discrete quarterly movement is usually calculated for financial performance items. Position and capital items are presented at a point of time.
Item description	Plain English description for each data item.
Reporting date	Reference date/period to the data point.
Reporting framework	The reporting framework applies to the data point. E.g. AASB 1023 or APRA's prospective reporting framework.
Notes	Footnotes or additional information to the relative data point.
Published date	Last time the data point was updated/published.
Value	Value of the data item.

A sample output of the database version is provided in Figure 2 to demonstrate these concepts. The actual database version will consist of a large file containing a full set of statistics.

Figure 2 – Sample output of a publication database version

Data item	Industry sector	Class of business group	Class of business	Item code	Units	Subject	Category	Calculation basis	Item description	Reporting date	Reporting framework	Notes	Published date	Value
Gross earned premium	Industry	Direct business	Houseowners/householders	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Commercial motor vehicle	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Domestic motor vehicle	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Travel	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Fire and ISR	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Marine and aviation	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Consumer credit	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Other accident	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Other	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Mortgage	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	CTP motor vehicle	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Public and product liability	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Professional indemnity	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Direct business	Employers' liability	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Gross earned premium	Industry	Inwards reinsurance	Total inwards reinsurance	Gross earned...	Million dollars	Financial performance		Discrete quarter	Gross earned...	30/09/2010	AASB 1023		15/12/2011	9,999,999
Total assets	Direct insurer	Not applicable	Not applicable	Total assets...	Million dollars	Financial position		Point at time		31/03/2011	AASB 1023		15/12/2011	9,999,999
Total assets	Reinsurer	Not applicable	Not applicable	Total assets...	Million dollars	Financial position		Point at time		31/03/2011	AASB 1023		15/12/2011	9,999,999
Premium receivables	Direct insurer	Not applicable	Not applicable	Premium rec...	Million dollars	Financial position	Assets	Point at time		31/03/2011	Prospective		15/12/2011	9,999,999
Premium receivables	Direct insurer	Not applicable	Not applicable	Premium rec...	Million dollars	Financial position	Assets	Point at time		30/06/2010	Prospective		15/12/2011	9,999,999
Premium receivables	Direct insurer	Not applicable	Not applicable	Premium rec...	Million dollars	Financial position	Assets	Point at time		30/09/2010	AASB 1023		15/12/2011	9,999,999
Premium receivables	Direct insurer	Not applicable	Not applicable	Premium rec...	Million dollars	Financial position	Assets	Point at time		31/12/2010	AASB 1023		15/12/2011	9,999,999
Interest	Reinsurer	Not applicable	Not applicable	Interest_Re...	Million dollars	Financial performance	Investment income	Discrete quarter		31/03/2010	Prospective		15/12/2011	9,999,999
Interest	Reinsurer	Not applicable	Not applicable	Interest_Re...	Million dollars	Financial performance	Investment income	Discrete quarter		30/06/2010	Prospective		15/12/2011	9,999,999
Interest	Reinsurer	Not applicable	Not applicable	Interest_Re...	Million dollars	Financial performance	Investment income	Discrete quarter		30/09/2010	AASB 1023		15/12/2011	9,999,999
Interest	Reinsurer	Not applicable	Not applicable	Interest_Re...	Million dollars	Financial performance	Investment income	Discrete quarter		31/12/2010	AASB 1023		15/12/2011	9,999,999
Minimum capital requirement	Direct insurer	Not applicable	Not applicable	Minimum...	Million dollars	Capital and risk charge		Point at time		30/09/2010	AASB 1023		15/12/2011	9,999,999
Minimum capital requirement	Direct insurer	Not applicable	Not applicable	Minimum...	Million dollars	Capital and risk charge		Point at time		31/12/2010	AASB 1023		15/12/2011	9,999,999
Minimum capital requirement	Direct insurer	Not applicable	Not applicable	Minimum...	Million dollars	Capital and risk charge		Point at time		31/03/2011	AASB 1023		15/12/2011	9,999,999
Minimum capital requirement	Direct insurer	Not applicable	Not applicable	Minimum...	Million dollars	Capital and risk charge		Point at time		30/06/2011	AASB 1023		15/12/2011	9,999,999

Appendix B – List of statistics in the quarterly publications

Published statistics in the current quarterly publication			
Financial performance for industry, direct insurer and reinsurer	Financial position for industry, direct insurer and reinsurer	Key performance ratios and capital adequacy for industry, direct insurer and reinsurer	Six statistics on premiums and claims by class of business
Gross written premium of which:	Cash and liquid assets	Outwards reinsurance expense	Gross incurred claims (net other recoveries)
Direct business	Investments of which:	Gross earned premium	Gross earned premium
Inwards reinsurance	Interest	Cession ratio	Gross loss ratio
Net written premium	Equity	Gross incurred claims	Net incurred claims
Gross earned premium of which:	Indirect investments	Gross earned premium	Net earned premium
Direct business	Property	Gross written premium	Net loss ratio
Inwards reinsurance	Loans and advances	Gross loss ratio	
Fire service levy	Other investments	Net incurred claims	
Outwards reinsurance expense	Non-reinsurance recoverables	Net earned premium	
Net earned premium	Reinsurance recoverables	Net written premium	
Gross incurred claims of which:	Non-reinsurance recoverables on premium liabilities	Net loss ratio	
Direct business	Reinsurance recoverables on premium liabilities	Underwriting expenses	
Inwards reinsurance	Premium receivables	Net earned premium	
Non-reinsurance recoveries revenue	Deferred reinsurance expense	Net written premium	
Reinsurance recoveries revenue	Deferred acquisition costs	U/W expense ratio	

Published statistics in the current quarterly publication			
Financial performance for industry, direct insurer and reinsurer	Financial position for industry, direct insurer and reinsurer	Key performance ratios and capital adequacy for industry, direct insurer and reinsurer	Six statistics on premiums and claims by class of business
Net incurred claims of which:	Intangible assets	Net U/W combined ratio	Published classes of business
Current period net claims expense	Other assets	Investment income	Houseowners/ householders
Non-recurring items that are part of net claims	Total assets	Average total investments	Commercial motor vehicle
Acquisition costs	Outstanding Claims Liability	Return on total investments	Domestic motor vehicle
Results of liability adequacy tests	Premium Liabilities	Net profit after tax	Fire and ISR
Commission expense	Unearned Premium Liability	Average total assets	CTP motor vehicle
Other underwriting expenses	Unexpired Risk Liability	Return on total assets	Public and product liability
Levies and charges	Tax provisions	Net profit after tax	Professional indemnity
Commission revenue	Payables on reinsurance contracts	Average net assets	Employers' liability
Total underwriting expenses	Borrowings and loan capital	Return on net assets	Other direct classes
Underwriting result	Other liabilities		Total direct business
Investment income	Total liabilities	Minimum capital requirement	Total reinsurance business
Insurance result	Share capital	Eligible Capital base	
Investment income on shareholders' funds	Reserves	Solvency coverage ratio	
Other operating expenses	Retained profits		
Other items	Net assets		
Net profit/loss after tax			

Additional statistics proposed to be included in the quarterly publication database version

Proposed classes of business	Additional 13 class of business level statistics	Additional 18 statistics on operating income and expense	Additional 14 statistics on components of MCR and four statistics on capital base
Houseowners/householders	Reinsurance expense	Investment income arising from:	Minimum capital requirement risk charges arising from:
Commercial motor vehicle	Gross incurred claims	Interest	Off balance sheet business
Domestic motor vehicle	Reinsurance recoveries revenue	Dividend	Investments of which:
Fire and ISR	Non-reinsurance recoveries revenue	Rent	Interest
CTP motor vehicle	Outstanding Claims Liabilities	Change in net market value of investments of which:	Equity
Public and product liability	Reinsurance recoverables	Unrealised gains/losses	Indirect investments
Professional indemnity	Non-reinsurance recoverables	Realised gains/losses	Property
Employers' liability	Net outstanding claims liabilities	Other investment income	Loans and advances
Travel	Unearned Premium Liability	Other operating income	Investment risk rebate
Mortgage	Unexpired risk liability	Operating expenses of which:	Counterparty default
Marine and aviation	Deferred reinsurance expense	Interest	Asset concentration
Consumer credit	Deferred acquisition costs	Wages and salaries	Derivative activity
Other accident	Net premium liabilities	Other employee related	Maximum event retention
Other		Occupancy and equipment	Outstanding claims provision
Total reinsurance business		Fees of which:	Premium liabilities
		Management	Reinsurance counterparty default
		Audit firm	Capital base of which:
		Consulting	Branch insurers
		Actuarial	Non-branch insurers of which:
		Directors	Tier 1 capital (net of deductions)
		Bad and doubtful debts	Tier 2 capital of which:
		Other operating expenses	Upper tier 2 capital
			Lower tier 2 capital

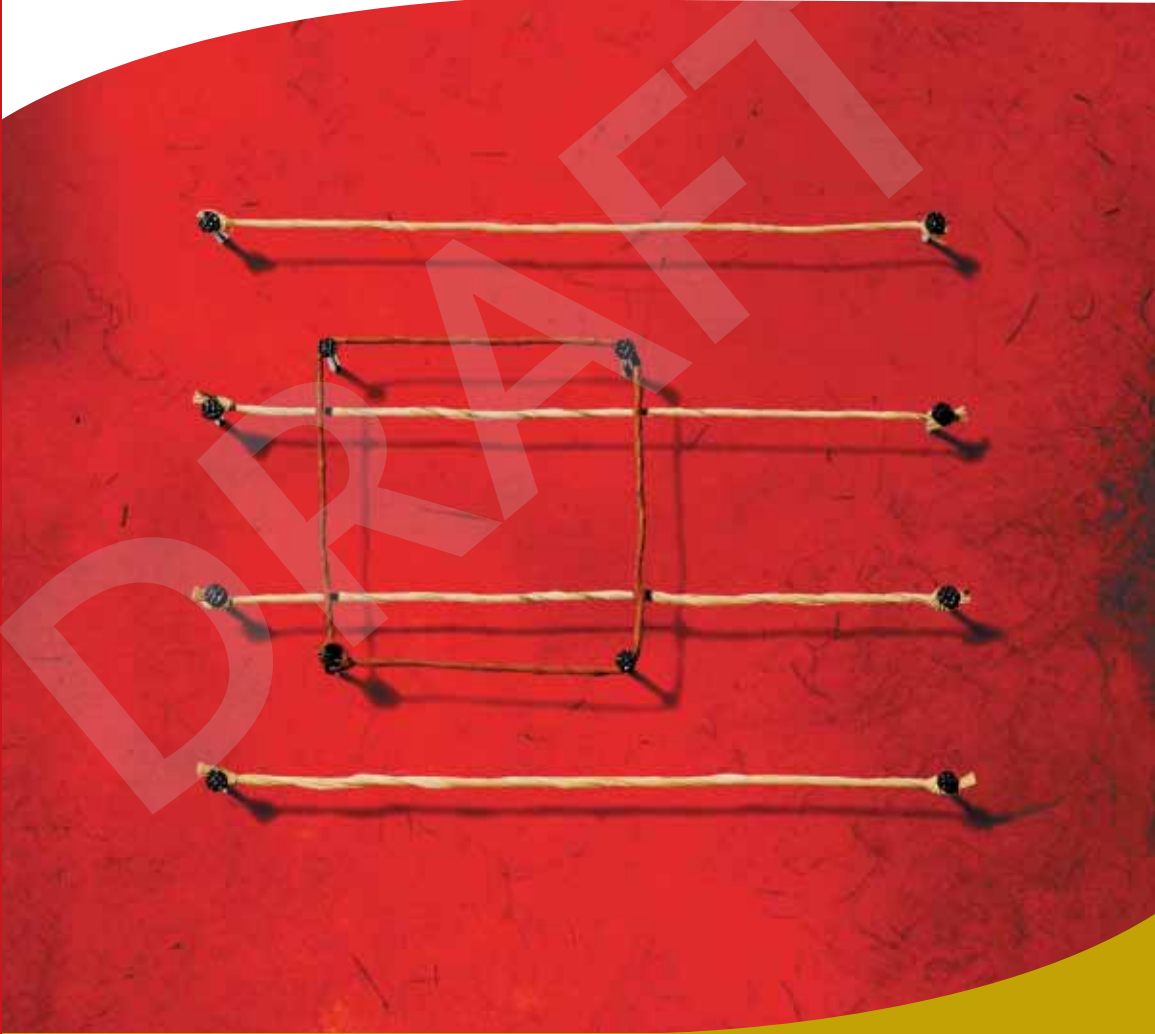
Appendix C – Proposed General Insurance Supplementary Statistical Tables



Statistics

General Insurance Supplementary Statistical Tables

Consultation draft (issued 15 December 2011)



www.apra.gov.au

Australian Prudential Regulation Authority

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Table 1 Gross premium revenue by state of Australia (Direct insurers)Financial years ended in the 12 months to June xxxx
(\$ million)

Class of business	NSW	ACT	VIC	QLD	SA	WA	TAS	NT	Total Australia
Houseowners/householders	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Commercial motor vehicle	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Domestic motor vehicle	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Travel	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Fire and ISR	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Marine and aviation	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Mortgage	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Consumer credit	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Other accident	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Other	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
CTP motor vehicle	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Public and product liability	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Professional indemnity	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Employers' liability	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Total direct business	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Total inward reinsurance	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999

Notes:

Gross premium revenue in this table is reported according to the location of risk.

Table 2 Gross incurred claims by state of Australia (Direct insurers)Financial years ended in the 12 months to June XXXX
(\$ million)

Class of business	NSW	ACT	VIC	QLD	SA	WA	TAS	NT	Total Australia
Houseowners/householders	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Commercial motor vehicle	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Domestic motor vehicle	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Travel	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Fire and ISR	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Marine and aviation	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Mortgage	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Consumer credit	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Other accident	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Other	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
CTP motor vehicle	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Public and product liability	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Professional indemnity	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Employers' liability	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Total direct business	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999
Total inward reinsurance	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999	9,999

Notes:

Gross incurred claims in this table is reported according to the location of risk

Table 3 Public insurer financial performanceYear end June xxxx
(\$ million)

	Total public sector
Premium revenue	9,999
Outwards reinsurance expense	9,999
Net premium revenue	9,999
Claims expense	9,999
Reinsurance and other recoveries revenue	9,999
Net claims expense	9,999
Underwriting expenses	9,999
Underwriting result	9,999
Investment income	9,999
General and administration expenses	9,999
Other items	9,999
Net profit / loss after tax	9,999
Number of entities	9,999

Notes:

Underwriting expenses may not include all expenses associated with underwriting.

Table 4 Public insurer operating income and expenseYear end June xxxx
(\$ million)

	Total public sector
Investment income	9,999
<i>arising from:</i>	
Interest	9,999
Dividend	9,999
Rent	9,999
Change in net market value of investments	9,999
Other operating income	9,999
Operating expenses	9,999
<i>of which:</i>	
Interest	9,999
Wages and salaries	9,999
Other employee related	9,999
Occupancy and equipment	9,999
Fees	9,999
Bad and doubtful debts	9,999
Other operating expenses	9,999
Number of entities	9,999

Table 5 Public insurer financial positionYear end June xxxx
(\$ million)

	Total public sector	of which: Inside Australia
Unpaid premiums	9,999	9,999
Reinsurance assets	9,999	9,999
Investments	9,999	9,999
Other assets	9,999	9,999
Total assets	9,999	9,999
Underwriting provisions	9,999	9,999
Other provisions	9,999	9,999
Taxation	9,999	9,999
Total creditors and borrowings	9,999	9,999
Other liabilities	9,999	9,999
Total liabilities	9,999	9,999
Shareholders' equity	9,999	
Number of entities	9,999	

Table 6 Public insurer premiums and claims by class of businessYear end June xxxx
(\$ million)

Class of business	Total premiums (in accordance with AASB 1023 / AAS 26)	Premium revenue ^a	Reinsurance expense	Claims expense	Reinsurance and other recoveries revenue
Houseowners/householders	9,999	9,999	9,999	9,999	9,999
Commercial motor vehicle	9,999	9,999	9,999	9,999	9,999
Domestic motor vehicle	9,999	9,999	9,999	9,999	9,999
Travel	9,999	9,999	9,999	9,999	9,999
Fire and ISR	9,999	9,999	9,999	9,999	9,999
Marine and aviation	9,999	9,999	9,999	9,999	9,999
Mortgage	9,999	9,999	9,999	9,999	9,999
Consumer credit	9,999	9,999	9,999	9,999	9,999
Other accident	9,999	9,999	9,999	9,999	9,999
Other	9,999	9,999	9,999	9,999	9,999
CTP motor vehicle	9,999	9,999	9,999	9,999	9,999
Public and product liability	9,999	9,999	9,999	9,999	9,999
Professional indemnity	9,999	9,999	9,999	9,999	9,999
Employers' liability	9,999	9,999	9,999	9,999	9,999
Total direct business	9,999	9,999	9,999	9,999	9,999
Total inwards reinsurance	9,999	9,999	9,999	9,999	9,999
Total	9,999	9,999	9,999	9,999	9,999

^a Premium revenue equals total premiums plus unearned premiums at beginning of financial year minus unearned premiums at end of financial year.

Explanatory notes

Source of data

Data in the direct insurer tables are sourced from audited regulatory returns submitted to APRA under the *Financial Sector (Collection of Data) Act 2001* by authorised general insurers. Private insurer returns relate to the financial year end of each insurer, which can occur on any date within the 12 months up to and including the reference date of the publication.

This publication also include data submitted by Australian public insurers. These data are presented in the public insurer tables separately.

Basis of preparation

Figures in this publication are prepared from the individual insurer accounts, not consolidated insurance group accounts. Transactions between related entities within the same insurance group have not been eliminated. Examples of such transactions include intra-group reinsurance arrangements (premiums, claims, reinsurance recoveries, provisions), dividends and loans between parents and subsidiaries.

Glossary

Definitions

AASB 1023 General Insurance Contracts (referred to as AASB 1023) is the principal accounting standard for the accounting treatment of general insurance contracts. Refer also to AIFRS.

AIFRS refers to Australian equivalents to International Financial Reporting Standards (AIFRS) issued by the Australian Accounting Standards Board (AASB). A number of Australian-specific standards and Interpretations have also been issued, including AASB 1023.

Direct insurers are those insurers who, excluding intra-group arrangements, predominantly undertake liability by way of direct insurance business.

Gross incurred claims comprises paid claims during the period and movements in *outstanding claims liability* from both direct business and inwards reinsurance.

Gross premium revenue is the earned premium revenue relating to direct business and inwards reinsurance plus Fire service levy and measured on an AASB 1023 basis.

Public insurers are those insurers who are controlled, or (where a statutory corporation) wholly owned by the Commonwealth government or the government of an Australian state or territory.

Reinsurance recoveries revenue comprises amounts the insurer has recovered or is entitled to recover from reinsurers on incurred claims relating to current and prior years during the reporting period.

Reinsurers are those insurers who, excluding intra-group arrangements, predominantly undertake liability by way of reinsurance business.



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