



Life Insurance Market Statistics

December 2002

The Australian Prudential Regulation Authority (APRA) collects these statistics from the financial services industry and publishes them to provide general information on industry trends. APRA uses its best endeavours to present the information that it receives accurately.

© Australian Prudential Regulation Authority [2003]

This work is copyright. You may download, store in cache, display, print and copy any material in this publication in an unaltered form for your personal or non-commercial use, or for use within your organisation, provided that the copyright notice appears in each copy. Apart from any other use permitted under the *Copyright Act 1968*, all other rights are reserved. Requests for any other type of use should be directed to APRA, Public affairs Unit GPO Box 9836, Sydney NSW 2001 or by email to APRAInfo@apra.gov.au.

LIFE OFFICE MARKET REPORT

Source: APRA Market Statistics and Asset Diskette, APRA Quarterly Superannuation Trends

Year ended 31 December 2002

Total Business

Assets	Premium Income	Companies
\$ 185.2 b	\$ 36.7 b	40

Super Assets in Life Offices

Super Assets Managed by Life Offices
 % of Life Office Assets Backing Australian Liabilities
 % of All Super Assets

	Dec-02	Dec-01
Super Assets Managed by Life Offices	\$ 155.9 b	\$ 160.1 b
% of Life Office Assets Backing Australian Liabilities	87%	85%
% of All Super Assets	30%	30%

Premium Movements - Australian Business

\$ million	Contractual Regular Premium Business							Other Business	
	In Force at Beginning of Period	Increases in the Period	Decreases in the Period				Other Movements	In Force at End of Period	New Single Premiums
			Claim	Maturity	Voluntary Discontinuance	Other			
<i>Ordinary</i>	2,795	543	6	15	396	2	14	2,932	1,388
<i>Super</i>	4,598	1,138	7	32	683	-17	5	5,037	27,329
Total	7,393	1,681	13	48	1,079	-15	20	7,969	28,717

Industry Structure

Group	Statutory Fund Assets					Total Premiums - Australian Business *		
	Backing Australian Liabilities			Backing Total Liabilities		Group	\$m	Industry Share
	\$b	Annual Change	Industry Share	\$b	Industry Share			
1 AMP	49.7	-7%	28%	52.0	28%	1 AMP	8,069	22%
2 National Aust / MLC	32.6	-1%	18%	32.6	18%	2 National Aust / MLC	6,555	18%
3 CBA / Colonial	24.1	-9%	13%	24.5	13%	3 ING / ANZ	4,647	13%
4 ING / ANZ	19.2	-2%	11%	19.3	10%	4 CBA / Colonial	3,683	10%
5 National Mutual / AXA	14.9	-5%	8%	17.0	9%	5 Westpac	3,189	9%
6 Westpac	11.1	-5%	6%	11.1	6%	6 National Mutual / AXA	2,738	7%
7 Zurich Life	4.8	-11%	3%	4.8	3%	7 Macquarie Life	1,757	5%
8 Norwich Union	4.3	-3%	2%	4.3	2%	8 Zurich Life	1,081	3%
9 Challenger Life	3.4	66%	2%	3.4	2%	9 Citicorp Life	934	3%
10 Suncorp Life & Super	3.2	-2%	2%	3.2	2%	10 Challenger Life	792	2%
Top 3 Groups	106.4	-6%	59%	109.1	59%	Top 3 Groups	19,270	53%
Top 10 Groups	167.2	-5%	93%	172.1	93%	Top 10 Groups	33,445	91%
Foreign-Owned Groups	52.1	0%	29%	54.6	29%	Foreign-Owned Groups	11,609	32%
Bank-Owned Groups	72.2	-7%	40%	72.6	39%	Bank-Owned Groups	16,137	44%
Total Industry	180.0	-4%		185.2		Total Industry	36,685	
<i>of which overseas assets</i>	<i>29.7</i>	<i>-13%</i>	<i>16%</i>	<i>34.7</i>	<i>19%</i>			

Notes : (1) On 31 October 2002, Westpac Financial Services Group Limited, a subsidiary of Westpac Banking Corporation acquired BT Life.

(2) ING Life and ANZ Life became part of a joint venture called ING Australia Limited on 1 May 2002

* Total Premiums = regular inforce prems at end of period + new single prems.

Product Type - Australian Business
Assets Under Management
Premium Income
Policy Payments

	Assets Under Management			Premium Income			Policy Payments	
	Superannuation	Ordinary	Total	Superannuation	Ordinary	Superannuation	Ordinary	
	\$ million			\$ million			\$ million	
<i>Individual Business</i>								
Investment Account	9,341	1,892	11,234	1,133	164	2,041	425	
Investment Linked	56,846	4,576	61,423	12,850	317	10,712	1,019	
Allocated Annuity - Non-Inv Linked	1,274	0	1,274	326	0	400	0	
Allocated Annuity - Inv Linked	15,590	0	15,590	3,046	0	3,713	0	
Other Annuity - Lifetime	3,567	575	4,143	185	14	315	112	
Other Annuity - Term	4,011	2,624	6,636	1,901	1,080	1,359	827	
<i>Group Business</i>								
Investment Account	9,630	5	9,635	2,129	0	2,059	5	
Investment Linked	34,507	23	34,529	11,299	0	11,133	2	
Allocated Annuity - Non-Inv Linked	322	0	322	81	0	90	0	
Allocated Annuity - Inv Linked	541	0	541	140	0	135	0	
Other Annuity	91	1	92	0	0	0	1	

Note: Conventional, risk business, statutory fund reserves, unallocated profits etc are not included in this table.

New Business Premium - Australian Business

Group	Ordinary				Superannuation				Australian Liabilities		
	Single	Regular	Total	industry share	Single	Regular	Total	industry share	Asset Structure		
	\$ million				\$ million				Dec-02		
1 Citicorp Life	451	39	490	26%	1 AMP	7,169	22	7,191	25%	Investment Linked	\$ 115.0 b
2 Westpac	388	49	436	23%	2 National Aust / MLC	6,000	36	6,036	21%	Non-Investment Linked	\$ 65.0 b
3 CBA / Colonial	156	79	236	12%	3 ING / ANZ	2,975	359	3,333	12%	<i>Total</i>	\$ 180.0 b
4 ING / ANZ	163	47	210	11%	4 CBA / Colonial	2,215	255	2,471	9%		
5 Zurich Life	92	15	108	6%	5 Westpac	2,182	141	2,323	8%		
6 National Aust / MLC	6	88	93	5%	6 Macquarie Life	1,757	0	1,757	6%		
7 National Mutual / AXA	20	50	70	4%	7 National Mutual / AXA	1,438	159	1,597	6%		
8 Norwich Union	33	21	55	3%	8 Challenger Life	792	0	792	3%		
9 AMP	10	39	49	3%	9 Zurich Life	716	19	736	3%		
10 AIAA	18	21	38	2%	10 Suncorp Life & Super	499	14	513	2%		
Top 3 Groups (by Total)	995	167	1,163	61%	Top 3 Groups (by Total)	16,144	416	16,560	58%		
Top 10 Groups (by Total)	1,337	449	1,785	93%	Top 10 Groups (by Total)	25,743	1,005	26,748	94%		
Foreign-Owned Groups	817	255	1,072	56%	Foreign-Owned Groups	6,400	667	7,067	25%		
Bank-Owned Groups	1,001	264	1,265	66%	Bank-Owned Groups	12,496	457	12,953	46%		
Total	1,387	533	1,920		Total	27,329	1,136	28,465			

Market Statistics : Premium Income

Total Business

1 January 2002 to 31 December 2002

Product Type	Contractual Regular Premium Business						Other Business		
	In Force at Beginning of Period	Increases in the Period	Decreases in the Period				Other Movements	In Force at End of Period	New Single Premiums
			Claim	Maturity	Voluntary Discontinuance	Other			
(\$'000)									
<i>Individual Business</i>									
Conventional	545,896	16,237	2,133	20,105	39,223	2,036	-309	498,327	99
Investment Account	468,790	38,561	1,489	7,123	47,975	650	-2,193	447,922	822,759
Investment Linked	1,808,941	305,283	2,614	15,957	210,842	20,998	3,598	1,867,410	9,581,779
Allocated Annuity - Non-Inv Linked	0	0	0	0	0	0	0	0	271,684
Allocated Annuity - Inv Linked	0	0	0	0	0	0	0	0	2,699,562
Other Annuity - Lifetime	0	0	0	0	0	0	0	0	170,931
Other Annuity - Term	0	0	0	0	0	0	0	0	2,806,687
Risk - Lump Sum	1,585,073	358,261	4,266	1,046	210,663	-12,027	15,478	1,754,863	272,366
Risk - Income	787,126	156,981	276	150	126,460	-5,929	23,242	846,393	399
<i>Group Business</i>									
Investment Account	332,201	89,299	190	1,305	67,886	-5,557	-4,940	352,735	2,053,034
Investment Linked	1,104,715	457,684	324	1,754	273,474	-30,668	-4,930	1,312,585	9,737,795
Allocated Annuity - Non-Inv Linked	0	0	0	0	0	0	0	0	85,145
Allocated Annuity - Inv Linked	0	0	0	0	0	0	0	0	82,938
Other Annuity	0	0	0	0	0	0	0	0	0
Risk	759,843	258,755	1,635	181	102,716	15,717	-10,036	888,314	131,719
Total for Class	7,392,586	1,681,062	12,928	47,622	1,079,239	-14,779	19,910	7,968,549	28,716,897

Market Statistics : Premium Income

Ordinary Business

1 January 2002 to 31 December 2002

Product Type	Contractual Regular Premium Business						Other Business		
	In Force at Beginning of Period	Increases in the Period	Decreases in the Period				Other Movements	In Force at End of Period	New Single Premiums
			Claim	Maturity	Voluntary Discontinuance	Other			
(\$'000)									
<i>Individual Business</i>									
Conventional	382,976	15,582	1,824	9,569	26,691	1,630	-777	358,068	47
Investment Account	51,506	1,353	90	938	6,398	145	-58	45,230	38,623
Investment Linked	189,635	6,566	224	3,911	29,394	2,710	147	160,108	140,262
Allocated Annuity - Non-Inv Linked	0	0	0	0	0	0	0	0	1,422
Allocated Annuity - Inv Linked	0	0	0	0	0	0	0	0	0
Other Annuity - Lifetime	0	0	0	0	0	0	0	0	8,210
Other Annuity - Term	0	0	0	0	0	0	0	0	901,066
Risk - Lump Sum	1,193,413	281,608	3,518	636	166,958	-5,523	7,121	1,316,553	272,291
Risk - Income	784,280	156,857	270	127	126,218	-5,950	23,230	843,703	399
<i>Group Business</i>									
Investment Account	357	0	0	0	85	0	-197	75	468
Investment Linked	0	0	0	0	0	0	0	0	0
Allocated Annuity - Non-Inv Linked	0	0	0	0	0	0	0	0	0
Allocated Annuity - Inv Linked	0	0	0	0	0	0	0	0	0
Other Annuity	0	0	0	0	0	0	0	0	0
Risk	192,804	80,807	482	0	40,582	9,270	-15,020	208,257	24,766
Total for Class	2,794,971	542,773	6,407	15,181	396,326	2,283	14,447	2,931,994	1,387,554

Market Statistics : Premium Income

Superannuation Business

1 January 2002 to 31 December 2002

Product Type	Contractual Regular Premium Business						Other Business		
	In Force at Beginning of Period	Increases in the Period	Decreases in the Period				Other Movements	In Force at End of Period	New Single Premiums
			Claim	Maturity	Voluntary Discontinuance	Other			
(\$'000)									
<i>Individual Business</i>									
Conventional	162,919	656	310	10,536	12,532	405	467	140,260	52
Investment Account	417,284	37,208	1,399	6,185	41,576	505	-2,135	402,691	784,136
Investment Linked	1,619,307	298,716	2,390	12,046	181,449	18,288	3,451	1,707,302	9,441,517
Allocated Annuity - Non-Inv Linked	0	0	0	0	0	0	0	0	270,262
Allocated Annuity - Inv Linked	0	0	0	0	0	0	0	0	2,699,562
Other Annuity - Lifetime	0	0	0	0	0	0	0	0	162,721
Other Annuity - Term	0	0	0	0	0	0	0	0	1,905,621
Risk - Lump Sum	391,660	76,653	749	410	43,705	-6,504	8,357	438,310	75
Risk - Income	2,846	124	6	23	242	21	12	2,690	0
<i>Group Business</i>									
Investment Account	331,844	89,299	190	1,305	67,801	-5,557	-4,743	352,660	2,052,566
Investment Linked	1,104,715	457,684	324	1,754	273,474	-30,668	-4,930	1,312,585	9,737,795
Allocated Annuity - Non-Inv Linked	0	0	0	0	0	0	0	0	85,145
Allocated Annuity - Inv Linked	0	0	0	0	0	0	0	0	82,938
Other Annuity	0	0	0	0	0	0	0	0	0
Risk	567,039	177,948	1,153	181	62,135	6,446	4,984	680,057	106,953
Total for Class	4,597,615	1,138,289	6,521	32,440	682,913	-17,062	5,463	5,036,555	27,329,342