

Life Insurance Market Statistics

December 1999

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 [2000]

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 1999

Total Business

Assets	Premium Income	Companies
\$ 181.3 b	\$ 37.2 b	44

Super Assets in Life Offices

Super Assets Managed by Life Offices

% of Life Office Assets Backing Australian Liabilities

% of All Super Assets

	Dec-99	Dec-98
Super Assets Managed by Life Offices	\$ 143.8 b	\$ 130.7 b
% of Life Office Assets Backing Australian Liabilities	82%	81%
% of All Super Assets	33%	35%

Premium Movements - Australian Business

\$ million	Contractual Regular Premium Business							Other Business	
	In Force at	Increases	Decreases in the Period				Other	In Force at	New Single
	Beginning of Period	in the Period	Claim	Maturity	Voluntary Discontinuance	Other	Movements	End of Period	Premiums
<i>Ordinary</i>	2,539	490	9	14	349	62	100	2,496	2,586
<i>Super</i>	4,301	980	9	25	574	239	172	4,263	27,841
Total	6,841	1,469	18	39	923	300	272	6,758	30,426

Industry Structure

Group	Statutory Fund Assets						Total Premiums - Australian Business *		
	Backing Australian Liabilities			Backing Total Liabilities					
	\$b	Annual Change	Industry Share	\$b	Industry Share	Group	\$m	Industry Share	
1 AMP	51.0	20%	29%	54.4	30%	1 AMP	9,692	26%	
2 Lend Lease	21.2	-8%	12%	23.9	13%	2 Mercantile Mutual	4,195	11%	
3 National Mutual/AXA	15.9	9%	9%	17.9	10%	3 Lend Lease	2,930	8%	
4 Mercantile Mutual	13.9	22%	8%	13.9	8%	4 Commonwealth Life	2,701	7%	
5 Colonial	13.6	-3%	8%	13.6	7%	5 Westpac Life	2,620	7%	
6 Commonwealth Life	9.8	12%	6%	9.8	5%	6 Colonial	2,125	6%	
7 Westpac Life	8.1	18%	5%	8.1	4%	7 National Mutual/AXA	1,979	5%	
8 Zurich Life	5.1	5%	3%	5.1	3%	8 Macquarie Life	1,956	5%	
9 National Aust Financial Management	4.5	18%	3%	4.5	2%	9 National Aust. Financial Mgt.	1,509	4%	
10 ANZ Life	4.2	12%	2%	4.2	2%	10 ANZ Life	1,319	4%	
Top 3 Groups	88.1	10%	50%	96.2	53%	Top 3 Groups	16,816	45%	
Top 10 Groups	147.2	10%	84%	155.4	86%	Top 10 Groups	31,024	83%	
Foreign-Owned Groups	49.9	11%	28%	52.2	29%	Foreign-Owned Groups	10,719	29%	
Bank-Owned Groups	34.4	11%	20%	34.5	19%	Bank-Owned Groups	11,665	31%	
Total Industry	175.6	8%		181.3		Total Industry	37,184		
<i>of which overseas assets</i>	<i>25.9</i>	<i>10%</i>	<i>15%</i>	<i>31.5</i>	<i>17%</i>				

Notes : (1) National Mutual includes Aust. Cas. & Life.
(4) Lend Lease includes MLC, MLC Lifetime.

(2) Colonial includes Legal and General effective July 1998 and Prudential effective September 1998.

(3) AMP took control of GIO effective 4 Jan 1999.

* Total Premiums are the regular inforce premiums at the end of the period plus the new single premiums.

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

	Superannuation	Ordinary	Total	Superannuation	Ordinary	Superannuation	Ordinary
	\$ million			\$ million		\$ million	
<i>Individual Business</i>							
Investment Account	11,819	2,999	14,819	2,371	340	2,735	631
Investment Linked	49,143	6,437	55,580	11,385	652	8,362	1,254
Allocated Annuity - Non-Inv Linked	901	0	901	306	0	80	0
Allocated Annuity - Inv Linked	12,392	0	12,392	3,428	0	1,430	0
Other Annuity - Lifetime	2,834	681	3,515	438	300	402	183
Other Annuity - Term	2,486	2,843	5,329	700	844	856	717
<i>Group Business</i>							
Investment Account	10,517	14	10,531	1,807	1	1,590	1
Investment Linked	33,541	29	33,570	9,720	0	9,132	605
Allocated Annuity - Non-Inv Linked	456	0	456	4	0	3	0
Allocated Annuity - Inv Linked	82	0	82	19	0	49	0
Other Annuity	21	0	21	5	0	0	0

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

New Business Premium - Australian Business

<i>Group</i>	Ordinary				<i>Group</i>	Superannuation				Australian Liabilities	
	Single	Regular	Total	industry		Single	Regular	Total	industry	Asset Structure	
	\$ million			share		\$ million			share	Dec-99	
1 Westpac	799	28	826	27%	1 AMP	8,502	28	8,530	30%	Investment Linked	\$ 106.3 b
2 Citicorp Life	400	12	413	13%	2 Mercantile Mutual	3,092	201	3,293	11%	Non-Investment Linked	\$ 69.2 b
3 Hannover Life Re of Australasia	335	59	394	13%	3 Lend Lease	2,607	12	2,618	9%	<i>Total</i>	\$ 175.6 b
4 Mercantile Mutual	245	33	278	9%	4 Commonwealth Life	2,387	93	2,480	9%		
5 Colonial	226	42	269	9%	5 Macquarie Life	1,956	0	1,956	7%		
6 ANZ Life	128	6	134	4%	6 Westpac	1,554	113	1,667	6%		
7 National Mutual/AXA	45	75	120	4%	7 National Aust. Financial Mgt.	1,265	30	1,295	4%		
8 AMP	85	35	119	4%	8 ANZ Life	1,156	1	1,157	4%		
9 Deutsche Life	117	0	117	4%	9 Colonial	915	184	1,099	4%		
10 Lend Lease	39	20	59	2%	10 National Mutual/AXA	663	153	816	3%		
Top 3 Groups	1,534	99	1,633	53%	Top 3 Groups	14,201	240	14,441	50%		
Top 10 Groups	2,418	310	2,728	89%	Top 10 Groups	24,096	814	24,910	86%		
Foreign-Owned Groups	1,250	288	1,537	50%	Foreign-Owned Groups	6,191	495	6,686	23%		
Bank-Owned Groups	1,476	98	1,574	51%	Bank-Owned Groups	9,283	264	9,547	33%		
Total	2,586	490	3,075		Total	27,841	980	28,820			