

Life Insurance Market Statistics

June 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.

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LIFE OFFICE MARKET REPORT

Year ended 30 June 1999

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

Total Business

Assets	Premium Income	Companies
\$173.6 billion	\$37.8 billion	43

Super Assets in Life Offices

Super Assets Managed by Life Offices

% of Life Office Assets Backing Australian Liabilities

% of All Super Assets

	Jun-99	Jun-98
Super Assets Managed by Life Offices	\$137.2 billion	\$122.0 billion
% of Life Office Assets Backing Australian Liabilities	82%	80%
% of All Super Assets	34%	34%

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>	2,481	484	6	10	350	-6	-14	2,618	3,074
<i>Super</i>	4,197	901	6	25	513	191	154	4,209	27,925
Total	6,679	1,386	12	35	864	186	141	6,827	30,999

Industry Structure

Group	Statutory Fund Assets					Total Premiums - Australian Business *		
	Backing Australian Liabilities			Backing Total Liabilities		Group	\$ million	Industry Share
	\$ billion	Annual Change	Industry Share	\$ billion	Industry Share			
1 AMP	48.5	25%	29%	51.3	30%	1 AMP	9,754	26%
2 Lend Lease	23.6	1%	14%	23.6	14%	2 Mercantile Mutual	4,331	11%
3 National Mutual/AXA	14.5	-1%	9%	16.5	10%	3 Lend Lease	3,016	8%
4 Colonial	13.8	171%	8%	14.4	8%	4 Westpac Life	2,920	8%
5 Mercantile Mutual	12.8	32%	8%	12.8	7%	5 Commonwealth Life	2,577	7%
6 Commonwealth Life	9.8	22%	6%	9.8	6%	6 Colonial	2,127	6%
7 Westpac Life	7.6	26%	5%	7.6	4%	7 National Mutual/AXA	1,949	5%
8 Zurich Life	5.0	16%	3%	5.0	3%	8 Macquarie Life	1,354	4%
9 National Aust. Financial Mgt.	4.2	26%	2%	4.2	2%	9 National Aust. Financial Mgt.	1,287	3%
10 Norwich Union Life	3.9	0%	2%	3.9	2%	10 ANZ Life	1,205	3%
Top 3 Groups	86.6	13%	52%	91.4	53%	Top 3 Groups	17,101	45%
Top 10 Groups	143.7	19%	86%	149.1	86%	Top 10 Groups	30,519	81%
Foreign-Owned Groups	46.7	-9%	28%	48.9	28%	Foreign-Owned Groups	11,024	29%
Bank-Owned Groups	33.2	16%	20%	33.3	19%	Bank-Owned Groups	10,538	28%
Total Industry	168.0	10%		173.6		Total Industry	37,826	
<i>of which overseas assets</i>	<i>23.2</i>	<i>5%</i>	<i>14%</i>	<i>28.8</i>	<i>17%</i>			

Notes : (1) National Mutual includes Aust. Cas. & Life (2) Colonial includes Legal and General effective July 1998 and Prudential effective September 1998. (3) AMP took control of GIO effective 4 Jan 1999.
(4) Lend Lease includes MLC, MLC Lifetime and Australian Eagle Life. * 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

	Assets Under Management			Premium Income		Policy Payments	
	Superannuation	Ordinary	Total	Superannuation	Ordinary	Superannuation	Ordinary
	\$ million			\$ million		\$ million	
<i>Individual Business</i>							
Investment Account	11,801	3,409	15,210	2,476	446	2,324	655
Investment Linked	44,777	6,545	51,322	10,713	762	7,523	1,257
Allocated Annuity - Non-Inv Linked	403	0	403	195	0	51	0
Allocated Annuity - Inv Linked	10,876	0	10,876	3,117	0	1,237	0
Other Annuity - Lifetime	3,006	845	3,851	453	145	404	126
Other Annuity - Term	2,479	2,531	5,011	829	1,514	1,136	779
<i>Group Business</i>							
Investment Account	10,444	28	10,473	2,540	12	1,477	6
Investment Linked	32,093	30	32,123	10,414	0	8,064	655
Allocated Annuity - Non-Inv Linked	507	0	507	6	0	3	0
Allocated Annuity - Inv Linked	73	0	73	26	0	51	0
Other Annuity	14	5	19	14	6	0	0

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

New Business Premium - Australian Business

Group	Ordinary				Superannuation				Australian Liabilities		
	Single	Regular	Total	industry	Single	Regular	Total	industry	Asset Structure		
	\$ million			share	\$ million			share	Jun-99		
1 Westpac	1,295	25	1,320	37%	1 AMP	9,278	26	9,304	32%	Investment Linked	\$101.0 billion
2 Hannover Life Re of Australasia	335	75	410	12%	2 Mercantile Mutual	3,265	151	3,416	12%	Non-Investment Linked	\$67.5 billion
3 Mercantile Mutual	296	35	331	9%	3 Lend Lease	2,667	11	2,678	9%	<i>Total</i>	\$168.5 billion
4 Citicorp Life	257	7	264	7%	4 Commonwealth Life	2,355	103	2,458	9%		
5 Colonial	188	46	235	7%	5 Westpac	1,396	83	1,478	5%		
6 AMP	111	33	145	4%	6 Macquarie Life	1,354	0	1,354	5%		
7 ANZ Life	132	6	138	4%	7 National Aust. Financial Mgt.	1,059	24	1,083	4%		
8 Deutsche Life	134	0	134	4%	8 Colonial	888	154	1,042	4%		
9 National Mutual/AXA	32	74	106	3%	9 ANZ Life	1,039	0	1,039	4%		
10 Lend Lease	47	21	68	2%	10 National Mutual/AXA	646	192	838	3%		
Top 3 Groups	1,926	136	2,062	58%	Top 3 Groups	15,210	188	15,398	53%		
Top 10 Groups	2,828	324	3,151	89%	Top 10 Groups	23,947	743	24,690	86%		
Foreign-Owned Groups	1,191	296	1,487	42%	Foreign-Owned Groups	6,457	472	6,929	24%		
Bank-Owned Groups	1,853	76	1,929	54%	Bank-Owned Groups	7,948	219	8,167	28%		
Total	3,074	484	3,558		Total	27,925	901	28,826			