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LIFE INSURANCE STATISTICS, AUGUST 1971

Reference No. 5.17

The information in this bulletin has been compiled from returns supplied by life insurance businesses registered under the Life Insurance Act 1945-1965 and returns supplied voluntarily by the State Government Insurance Offices.

2. The statistics of new policies issued, policies discontinued or reduced, policies existing and new loans paid over exclude business in Papua and New Guinea. Statistics of assets and liabilities, premiums received, claims, surrenders etc. paid, include Papua and New Guinea business.

3. Details of new policies issued and policies discontinued or reduced are shown in the period during which they were recorded in life insurance companies' registers maintained in each State and Territory. For monthly statistics in particular, such periods may be subsequent to those during which the policies were actually written or matured, surrendered, etc. State or Territory refers to the State or Territory where the policy is registered, and is not necessarily the State or Territory of residence of the insured person.

4. In this bulletin "New policies issued" includes all business transferred from overseas to a State or Territory register. "Policies discontinued or reduced" includes policies matured, surrendered, forfeited, transferred to registers in other States, Territories or overseas or converted to other classes of business, etc. Estimates of the "Policies existing at the end of each month" are prepared by up-dating the details of business in existence supplied in annual returns using the details of new policies issued and policies discontinued provided in monthly returns. Annuities, re-insurance of risks of the companies, bonus additions, benefits (other than the basic sum insured) attaching to family income policies, benefits payable on death by accident or specified sickness, and continuous disability benefits are excluded.

5. A policy insuring more than one life, i.e. a "blanket" policy, is treated as one policy in the figures shown for "Number of policies" when the policy is issued or discontinued. Variations in the number of lives covered under a "blanket" policy have no effect on the figures shown for "Number of policies". However for a "blanket" policy any increase is included in the figures shown for "Sum insured" and "Annual premiums" for "New policies issued". Similarly, for a "blanket" policy any decrease is reflected in the figures shown for "Sum insured" and "Annual premiums" for "Policies discontinued or reduced". "Blanket" policies are frequently used for superannuation business.

6. As from January 1970 companies conducting investment-linked ordinary business or investment-linked superannuation business were required by the Insurance Commissioner to report separate details of these new types of business. To date no investment-linked ordinary business has been reported. In this bulletin details of investment-linked superannuation business are included in the figures shown for superannuation business.



7. State details of new policies issued, policies discontinued or reduced, and new loans paid over during 1970-71 and of policies in existence at 30 June 1971 were published in tables 12 to 16 of the June 1971 issue of the monthly bulletin "Life Insurance Statistics". Details of premiums received and claims, surrenders, etc. paid over in Australia for 1970-71 were published in Table 17 of that bulletin. Totals for 1969-70 are included for comparative purposes.

8. This bulletin incorporates revisions made to figures published in previous bulletins in this series.

9. Any discrepancies between totals and sums of components in tables are due to rounding.

TABLE 1. - ORDINARY, INDUSTRIAL AND SUPERANNUATION BUSINESS COMBINED (a)

	New policies issued			Policies discontinued or reduced			Policies existing at end of period		
	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000
AUSTRALIA									
Year - 1969-70	713,806	5,521,528	126,473	588,514	2,038,690	49,780	8,009,090	26,163,905	671,663
1970-71	747,176	7,030,936	154,189	542,895	2,477,859	59,124	8,213,371	30,716,982	766,728
1970 - July	70,148	544,541	15,040	49,647	170,329	4,563	8,029,591	26,538,117	682,139
August	62,742	497,224	11,938	48,493	161,732	4,190	8,043,840	26,873,610	689,887
September	67,971	742,098	17,300	47,048	241,529	6,346	8,064,763	27,374,178	700,842
October	57,541	458,472	10,312	43,402	191,431	4,418	8,078,902	27,641,219	706,735
November	63,615	587,881	10,947	43,602	193,055	4,275	8,098,915	28,036,045	713,408
December	61,594	1,083,980	20,636	43,212	283,731	5,998	8,117,297	28,836,294	728,045
1971 - January	36,301	374,878	7,716	33,901	177,124	4,176	8,119,697	29,034,050	731,585
February	47,129	412,681	8,313	44,463	206,271	4,274	8,122,363	29,240,461	735,623
March	67,251	533,673	11,395	49,381	207,094	5,111	8,140,233	29,567,039	741,907
April	56,085	471,350	9,893	49,000	194,835	5,474	8,147,318	29,844,154	746,326
May	66,984	580,915	12,820	45,763	226,077	4,962	8,168,539	30,198,992	754,184
June	89,815	742,643	17,880	44,983	224,653	5,336	8,213,371	30,716,982	766,728
July	79,357	735,824	18,560	44,472	248,843	6,038	8,248,256	31,203,963	779,250
August	70,928	661,824	15,228	46,392	232,248	5,573	8,272,792	31,633,539	788,906
STATES - AUGUST 1971									
N.S.W.	18,432	125,729	2,898	15,449	51,684	1,397	2,639,151	7,067,167	188,941
Vic.	19,118	188,326	4,693	12,023	69,683	1,504	2,155,677	8,917,020	222,139
Qld.	10,396	71,155	1,668	6,256	19,290	486	1,283,796	3,883,127	97,000
S.A. (b)	7,552	46,236	1,192	5,311	13,345	406	873,632	2,553,893	69,733
W.A.	6,767	49,596	1,127	3,763	17,557	571	644,693	2,281,746	57,005
Tas.	2,234	14,595	384	1,669	5,394	148	233,645	802,934	21,279
N.T. (b)	358	3,931	92	103	841	24	16,845	115,007	2,718
A.C.T.	6,071	162,256	3,172	1,818	54,454	1,037	425,353	6,012,646	110,091

(a) Includes investment-linked superannuation business. (b) Industrial business for Northern Territory is included in Industrial business for South Australia.

TABLE 2. - ORDINARY BUSINESS

	New policies issued			Policies discontinued or reduced			Policies existing at end of period		
	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000
AUSTRALIA									
Year - 1969-70	492,334	3,540,833	71,884	268,104	1,060,117	21,713	4,791,127	18,232,819	436,004
1970-71	539,870	4,318,365	83,313	281,646	1,371,752	26,754	5,049,351	21,179,432	494,563
1970 - July	52,799	355,603	9,341	26,003	96,758	2,591	4,817,923	18,491,664	444,755
August	43,274	305,933	6,524	23,574	93,764	2,108	4,837,623	18,703,833	449,171
September	47,274	332,693	6,694	25,238	124,964	2,500	4,859,659	18,911,561	453,366
October	41,484	296,121	5,984	22,465	108,948	2,035	4,878,678	19,098,735	457,316
November	42,712	402,318	6,204	19,782	98,803	1,749	4,901,608	19,402,250	461,771
December	47,500	492,837	7,076	23,521	139,397	1,935	4,925,587	19,755,690	466,912
1971 - January	28,319	241,709	4,186	20,544	103,437	2,072	4,933,362	19,893,961	469,026
February	33,668	282,976	4,922	20,828	120,572	1,949	4,946,202	20,056,365	472,000
March	47,250	373,381	7,002	25,163	116,467	2,375	4,968,289	20,313,279	476,627
April	40,901	332,011	6,100	23,295	101,892	2,279	4,985,895	20,543,398	480,448
May	46,712	382,895	7,235	24,154	136,395	2,429	5,008,453	20,789,897	485,254
June	67,977	519,889	12,043	27,079	130,355	2,733	5,049,351	21,179,432	494,563
July	61,181	481,480	11,402	26,769	142,052	2,831	5,083,763	21,518,859	503,135
August	50,103	421,820	8,252	25,655	114,645	2,641	5,108,211	21,826,035	508,746
STATES - AUGUST 1971									
N.S.W.	12,802	101,417	2,115	8,941	38,887	954	1,469,084	5,752,748	144,651
Vic.	13,679	104,083	2,326	6,604	28,521	682	1,323,819	5,694,158	137,270
Qld	7,553	52,116	1,085	3,695	13,396	306	868,464	3,166,887	72,889
S.A.	5,464	32,942	755	3,037	10,173	272	572,355	1,994,239	50,244
W.A.	4,915	37,735	743	2,197	11,012	247	432,103	1,842,270	42,248
Tas.	1,675	10,495	239	1,025	3,675	97	166,761	619,292	15,198
N.T.	340	3,484	73	87	667	20	16,296	107,714	2,476
A.C.T.	3,675	79,547	917	69	8,312	64	259,329	2,648,727	43,768

TABLE 3. - INDUSTRIAL BUSINESS

	New policies issued			Policies discontinued or reduced			Policies existing at end of period		
	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000
AUSTRALIA									
Year - 1969-70	142,051	177,304	7,000	169,714	92,680	3,892	2,509,359	1,153,335	46,542
1970-71	134,688	221,184	7,629	163,986	108,309	4,335	2,480,061	1,266,210	49,835
1970 - July	10,778	15,225	564	12,936	7,565	310	2,507,201	1,160,996	46,796
August	13,420	20,141	724	14,017	8,061	333	2,506,604	1,173,077	47,187
September	13,183	21,148	739	13,177	7,613	314	2,506,610	1,186,612	47,612
October	9,877	16,769	556	13,139	8,108	328	2,503,348	1,195,273	47,840
November	14,411	25,502	848	15,124	9,388	380	2,502,635	1,211,387	48,309
December	7,025	12,628	425	13,970	8,283	347	2,495,690	1,215,732	48,386
1971 - January	3,338	5,275	188	9,133	7,685	306	2,489,895	1,213,321	48,268
February	9,376	15,341	523	13,755	11,667	456	2,485,516	1,216,995	48,336
March	14,443	24,076	816	17,663	12,280	483	2,482,296	1,228,790	48,668
April	10,140	16,801	580	13,393	9,843	374	2,479,043	1,235,748	48,875
May	14,983	25,200	870	15,803	9,122	365	2,478,223	1,251,826	49,381
June	13,714	23,078	796	11,876	8,693	341	2,480,061	1,266,210	49,835
July	12,230	20,787	721	12,393	8,705	340	2,479,898	1,278,292	50,217
August	14,350	24,757	856	14,590	10,140	388	2,479,658	1,292,910	50,685
STATES - AUGUST 1971									
N.S.W.	5,085	9,055	313	5,284	4,450	173	928,531	489,538	19,170
Vic.	4,169	7,011	250	4,204	2,708	101	723,415	379,725	14,676
Qld	2,078	3,494	113	1,998	1,077	43	334,772	172,204	6,903
S.A. (a)	1,434	2,377	83	1,778	939	36	250,377	119,815	4,765
W.A.	1,031	1,818	63	1,254	762	29	166,589	89,039	3,518
Tas.	360	493	17	523	369	14	53,252	26,230	1,015
N.T. (a)	..	..	..	..	..	..	..	..	..
A.C.T.	193	508	16	-451	-165	-8	22,722	16,359	638

(a) Details for Northern Territory are included in South Australia.

NOTE. Minus sign (-) denotes an increase in existing business in the registers concerned due to an excess of transfers from other States or conversions from other classes of business over discontinuances in these registers.

TABLE 4. - SUPERANNUATION BUSINESS (a)

	New policies issued			Policies discontinued or reduced			Policies existing at end of period		
	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000	Number of policies	Sum insured \$'000	Annual premiums \$'000
AUSTRALIA									
Year - 1969-70	79,421	1,803,390	47,589	150,696	885,893	24,175	708,604	6,777,750	187,116
1970-71	72,618	2,491,388	63,247	97,263	997,798	28,035	683,959	8,271,340	222,329
1970 - July	6,571	173,713	5,134	10,708	66,006	1,663	704,467	6,885,457	190,588
August	6,048	171,150	4,690	10,902	59,907	1,749	699,613	6,996,700	193,529
September	7,514	388,256	9,868	8,633	108,952	3,532	698,494	7,276,004	199,864
October	6,180	145,582	3,770	7,798	74,374	2,056	696,876	7,347,212	201,579
November	6,492	160,061	3,895	8,696	84,864	2,146	694,672	7,422,409	203,327
December	7,069	578,515	13,134	5,721	136,050	3,716	696,020	7,864,874	212,746
1971 - January	4,644	127,895	3,342	4,224	66,001	1,798	696,440	7,926,768	214,290
February	4,085	114,365	2,867	9,880	74,032	1,870	690,645	7,967,101	215,288
March	5,558	136,216	3,577	6,555	78,347	2,254	689,648	8,024,970	216,612
April	5,044	123,138	3,212	12,312	83,100	2,821	682,380	8,065,009	217,003
May	5,289	172,821	4,715	5,806	80,561	2,168	681,863	8,157,269	219,550
June	8,124	199,676	5,041	6,028	85,604	2,262	683,959	8,271,340	222,329
July	5,946	233,557	6,437	5,310	98,086	2,867	684,595	8,406,811	225,899
August	6,475	215,248	6,120	6,147	107,464	2,544	684,923	8,514,595	229,474
STATES - AUGUST 1971									
N.S.W.	545	15,258	470	1,224	8,347	270	241,536	824,881	25,120
Vic.	1,270	77,232	2,117	1,215	38,454	721	108,443	2,843,138	70,194
Qld	765	15,544	470	563	4,817	137	80,560	544,036	17,207
S.A.	654	10,916	354	496	2,234	98	50,900	439,839	14,723
W.A.	821	10,043	321	312	5,783	295	46,001	350,437	11,238
Tas.	199	3,606	128	121	1,350	38	13,632	157,412	5,066
N.T.	18	447	20	16	174	4	549	7,293	241
A.C.T.	2,203	82,200	2,239	2,200	46,307	981	143,302	3,347,559	85,684

(a) Includes investment-linked superannuation business.

TABLE 5. - NEW LOANS (EXCLUDING ADVANCES OF PREMIUMS) PAID OVER (a)

(\$'000)

	On mortgage of real estate (b)				On policies (c)	Other loans (d)			Total loans
	Rural	Housing	Other	Total		To building or housing societies	Other	Total	
AUSTRALIA									
Year - 1969-70	22,252	76,325	83,287	181,863	55,797	1,830	8,021	9,852	247,512
1970-71	8,687	71,879	70,220	150,786	62,733	779	12,665	13,444	226,963
1970 - July	1,269	7,072	6,845	15,186	6,048	150	426	577	21,810
August	779	5,276	3,424	9,479	5,166	18	760	778	15,424
September	967	5,866	5,611	12,443	4,866	37	548	585	17,894
October	310	6,254	5,817	12,381	4,857	24	1,035	1,059	18,296
November	968	6,083	3,691	10,742	4,853	..	617	617	16,213
December	613	7,466	7,844	15,923	4,703	294	4,280	4,574	25,200
1971 - January	1,148	5,020	4,908	11,075	3,787	33	330	363	15,226
February	756	4,767	3,330	8,852	4,427	..	582	582	13,861
March	617	6,715	6,605	13,938	5,985	163	1,279	1,442	21,365
April	298	5,881	7,673	13,852	5,257	..	962	962	20,071
May	448	6,038	4,038	10,524	5,989	..	1,052	1,052	17,565
June	514	5,442	10,434	16,390	6,796	60	792	852	24,038
July	261	5,633	4,971	10,865	6,337	112	591	702	17,905
August	479	5,166	5,750	11,395	5,785	15	812	827	18,006
STATES - AUGUST 1971									
N.S.W.	122	2,185	3,275	5,582	1,936	15	657	672	8,189
Vic.	..	1,656	1,461	3,117	1,546	..	78	78	4,742
Qld	..	475	252	727	872	..	13	13	1,612
S.A.	68	364	153	584	467	..	16	16	1,067
W.A.	231	363	531	1,125	509	..	47	47	1,681
Tas.	57	75	65	197	243	..	..	..	440
N.T.	..	..	..	..	21	..	..	..	21
A.C.T.	..	47	15	62	191	..	..	..	253

(a) Includes loans made against investment-linked superannuation policies. (b) State or Territory where property is located. (c) State or Territory where policy is registered. (d) State of residence of borrower.

TABLE 6. - RATES OF INTEREST ON NEW LOANS : AUSTRALIA

(per cent per annum)

	On mortgage of real estate			On policies
	Rural	Housing	Other	
1970 July	7.75 - 9.50	7.00 - 9.50	7.00 - 10.00	7.00 - 8.50
August	7.75 - 9.50	7.00 - 9.50	7.00 - 10.00	7.00 - 8.50
September	7.50 - 9.50	7.00 - 9.50	7.00 - 10.00	7.00 - 8.50
October	8.25 - 9.50	7.00 - 10.00	7.00 - 10.00	7.00 - 8.50
November	8.25 - 9.50	7.25 - 9.75	7.00 - 10.00	7.00 - 8.50
December	8.50 - 9.50	7.25 - 9.75	7.00 - 10.00	7.00 - 8.50
1971 January	8.50 - 9.50	7.25 - 9.75	7.00 - 10.00	7.00 - 8.50
February	8.50 - 9.50	7.25 - 10.00	7.00 - 10.00	7.00 - 8.50
March	8.50 - 9.50	7.25 - 10.00	7.00 - 10.00	7.00 - 8.50
April	8.50 - 9.75	7.25 - 10.00	7.00 - 10.00	7.00 - 8.50
May	8.50 - 9.75	7.00 - 10.00	7.00 - 10.00	7.00 - 8.50
June	8.50 - 9.50	7.25 - 10.00	7.00 - 10.00	6.00 - 8.50
July	8.50 - 9.50	7.25 - 10.00	7.00 - 10.00	6.00 - 8.50
August	8.50 - 9.50	7.25 - 10.00	7.00 - 10.00	6.00 - 8.50

TABLE 7. - PREMIUMS RECEIVED AND CLAIMS, SURRENDERS, ETC., PAID

AUSTRALIA (a)

(\$'000)

	Premiums received (b) (c)				Claims, Surrenders, etc., paid (c)			
	Ordinary business	Industrial business	Superannuation business	Total	Ordinary business	Industrial business	Superannuation business	Total
Year - 1969-70	449,371	41,264	209,594	700,230	206,975	23,572	102,202	332,750
1970-71	504,602	48,855	242,760	796,217	237,110	25,781	120,848	383,740
1970 - July	49,926	3,940	21,401	75,267	21,610	2,144	9,988	33,742
August	36,633	3,808	19,070	59,511	18,380	2,130	10,807	31,318
September	38,061	3,608	21,072	62,741	19,680	1,961	10,433	32,075
October	36,575	4,068	18,539	59,183	19,330	2,313	9,857	31,500
November	42,176	3,958	16,807	62,941	18,866	2,226	7,643	28,735
December	42,498	6,003	20,099	68,599	21,370	1,793	12,623	35,785
1971 - January	32,338	1,397	15,550	49,286	15,126	1,439	8,577	25,141
February	35,518	3,524	19,838	58,880	16,605	1,865	8,291	26,762
March	40,696	4,312	22,411	67,418	20,898	2,480	11,391	34,769
April	37,352	3,940	19,524	60,816	18,065	1,947	10,153	30,165
May	43,589	4,113	20,485	68,187	21,499	2,247	7,340	31,086
June	69,240	6,183	27,964	103,387	25,681	3,236	13,745	42,662
July	56,168	4,499	24,100	84,767	24,964	2,500	12,945	40,409
August	43,933	4,087	21,941	69,961	23,645	2,283	12,071	37,999

(a) Includes Papua and New Guinea. (b) Includes considerations for annuities and does not include interest, dividends or rents. Considerations for annuities; August 1971 - \$665,000. (c) Includes investment - linked superannuation business.

TABLE 8. - CLAIMS, SURRENDERS, ETC., PAID, BY TYPE OF PAYMENT (a) : AUSTRALIA (b)

(\$'000)

	August - 1971			
	Ordinary business	Industrial business	Superannuation business	Total
Claims	15,985	1,682	5,283	22,950
Surrenders	7,440	601	6,404	14,445
Annuities	75	..	349	424
Bonuses paid in cash	145	..	35	180
<u>TOTAL</u>	23,645	2,283	12,071	37,999

(a) Includes investment-linked superannuation business. (b) Includes Papua and New Guinea.

TABLE 9. - SELECTED ASSETS HELD IN AUSTRALIA BY LIFE INSURANCE COMPANIES (a)

(\$ million)

	At end of -				
	June 1970	Sept. 1970	Dec. 1970	March 1971	June 1971
Fixed assets -					
Property	684.3	712.0	748.4	787.1	825.5
Furniture	10.2	10.6	10.4	9.8	11.1
<u>Total fixed assets</u>	694.5	722.6	758.8	796.9	836.6
Loans (excluding advances of premiums) -					
On mortgage -					
Rural	127.8	129.5	130.2	129.4	129.4
Housing	422.3	427.1	437.0	439.1	442.6
Other	652.9	657.7	661.1	660.4	671.6
On policies	212.2	219.0	224.8	230.6	240.4
To controlled companies	17.0	19.0	22.2	23.4	20.7
To building or housing societies	14.9	14.4	14.1	13.3	12.8
Other	19.7	12.3	13.2	15.9	15.1
<u>Total loans</u>	1,466.8	1,479.1	1,502.6	1,512.2	1,532.6
Investments -					
Government securities	1,243.3	1,284.2	1,316.2	1,340.7	1,381.3
Local and semi-governmental securities	462.9	480.3	500.4	513.5	531.7
Debentures	433.1	453.6	457.4	463.2	468.6
Secured and unsecured notes	136.5	132.2	123.5	128.2	125.5
Preference shares	85.3	85.5	82.8	83.5	83.5
Ordinary shares	753.3	788.9	822.7	836.8	866.7
Holdings in controlled companies	23.6	21.5	22.7	21.3	21.6
Other	17.7	18.3	19.8	22.4	31.9
<u>Total investments</u>	3,155.7	3,264.5	3,345.5	3,409.6	3,510.8
Cash -					
On deposit -					
Banks	1.0	2.1	1.9	0.3	0.7
Other	24.1	17.1	17.2	23.6	27.8
On current account and in hand	2.0	5.6	2.6	2.5	3.0
<u>Total cash</u>	27.1	24.9	21.9	26.4	31.5
<u>TOTAL SELECTED ASSETS</u>	5,344.2	5,491.0	5,628.7	5,745.0	5,911.5

(a) Items shown are the balances according to the companies' ledgers in respect of the statutory funds as at the date for which the information was supplied, without adjustment for any accrued or outstanding interest or other items which had not been brought into account as at that date.

TABLE 10. - SELECTED LIABILITIES HELD IN AUSTRALIABY LIFE INSURANCE COMPANIES (a)

(\$ million)

	At end of -				
	June 1970	Sept. 1970	Dec. 1970	March 1971	June 1971
Bank overdraft	38.2	42.7	41.2	43.3	45.2
Deposits	39.8	40.6	40.9	33.4	29.3

(a) Items shown are the balances according to the companies' ledgers in respect of the statutory funds as at the date for which the information was supplied, without adjustment for any accrued or outstanding interest or other items which had not been brought into account as at that date.

J. P. O'NEILL

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NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning 490211 extension 415 or, in each State capital, by telephoning the office of the Bureau of Census and Statistics.