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AUSTRALIAN LIFE ASSURANCE STATISTICS, 1946

SUMMARY

The Commonwealth Statistician (Dr. Roland Wilson) has made available statistics of Life Assurance Business in Australia for the year 1946. The information included has been compiled from returns collected from the 26 offices which transacted life assurance business in Australia during 1946. Three of the offices included are overseas companies while, of the remaining 23 Australian offices, 6 are mutual companies and 2 State Government Offices.

The returns do not relate to a uniform period but to the financial years of the companies which ended in 1946.

Thirteen of the offices transacted both ordinary and industrial business, one industrial business only, and the remainder ordinary business only. In the tables attached separate details are shown for ordinary and industrial business.

ASSETS OF LIFE ASSURANCE OFFICES: In 1946 Assets held by Life Assurance Offices in Australia amounted to £353.5 m. which is £18.0 m. higher than in 1945 and £106.0 m. higher than in 1939. Of these Assets £238.3 m. were invested in Government and Municipal securities; £48.3 m. in loans on mortgage and £16.0 m. in loans on policies. In addition assets valued at £96.9 m. were held outside Australia by offices with head offices in Australia, but which have considerable oversea business.

LIABILITIES OF LIFE ASSURANCE OFFICES: Details of the liabilities within Australia are not available, but in 1946 the liabilities both within and outside Australia of companies operating in Australia were £430.4 m. This figure includes all liabilities of offices with head offices in Australia and New Zealand, the Australasian liabilities of the Prudential Assurance Co. Ltd., and the Australian liabilities only of the Mutual Life Insurance Company of New York. Included in these liabilities are Assurance etc. Funds £415.5 m. and Shareholder's capital £1.7 m.

DEPOSITS: As a protection for policy holders Life Assurance Companies are required to lodge with the Government deposits in cash or approved securities. Deposits lodged by Life Assurance Companies at 30th June, 1946, amounted to £1,308,003 of this amount £502,509 was held by the Commonwealth Government and £805,494 by the State Governments. All but £57,895 had been deposited in the form of approved securities.

NEW BUSINESS: In 1946 the number of new policies issued in ordinary departments was 56 per cent. greater than in 1945. New industrial policies issued were 23 per cent higher than in 1945. During the year 214,921 new policies assuring £104,351,000 were issued in the ordinary department. The average sum assured by these policies was £486 which is £121 above the average sum assured by all policies in existence in 1945 and £23 above the average sum assured in new policies during 1945. In the industrial department 358,695 policies assuring £26,620,000 were issued. The average sum assured by these policies was £74 or £24 greater than the average of all policies in existence in 1945, and £6 greater than the average sum assured in new policies during 1945.

POLICIES DISCONTINUED: During 1946, 70,804 policies assuring £27,714,000 were discontinued in the ordinary department, and 208,564 assuring £11,777,000 in the industrial department. Death or maturity accounted for 43 per cent. of the number of ordinary policies, and 47 per cent of the number of industrial policies discontinued. Twenty six per cent. of the ordinary policies and 39 per cent. of the industrial policies discontinued were due to the policies lapsing for various reasons. The remaining 31 per cent. in the ordinary departments were surrendered or discontinued for other causes while in the industrial departments practically the whole of the remaining 14 per cent. were surrendered.

BUSINESS IN EXISTENCE: At the end of 1946 there were 1,730,153 ordinary department policies in existence in Australia with a sum assured of £654,999,000. Industrial policies numbered 3,428,669 and the sum assured £178,285,000. Annual premiums payable were £22,548,000 and £10,279,000 in the ordinary and industrial departments respectively.

REVENUE AND EXPENDITURE: The total revenue within Australia amounted to £44,745,000 and expenditure to £26,589,000. Premiums collected amounted to £32,658,000 and claims paid to £16,753,000.

(Roland Wilson)
COMMONWEALTH STATISTICIAN

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS,

CANBERRA. A.C.T. 1ST OCTOBER, 1947.

TABLE. 1. LIFE ASSURANCE - NEW BUSINESS WITHIN AUSTRALIA (a) STATES 1946

Particulars		New South Wales.	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
ORDINARY DEPARTMENT								
Number of policies issued	..	81,677	56,703	36,068	19,004	14,062	7,387	214,921
Sums Assured	£'000	38,078	30,172	16,711	8,828	7,140	3,422	104,351
Annual Premiums payable	£'000	1,402	1,090	565	322	271	116	3,766
INDUSTRIAL DEPARTMENT								
Number of Policies issued	..	128,266	114,936	44,979	37,565	21,535	11,414	358,695
Sums Assured	£'000	9,803	8,233	3,466	2,575	1,746	797	26,620
Annual Premiums payable	£'000	528	457	187	139	93	43	1,447
TOTAL								
Number of Policies issued	..	209,943	171,639	81,047	56,569	35,617	18,801	573,616
Sums Assured	£'000	47,881	38,405	20,177	11,403	8,886	4,219	130,971
Annual Premiums payable	£'000	1,930	1,547	752	461	364	159	5,213

(a) Excludes Annuities.

TABLE 2. LIFE ASSURANCE - DISCONTINUANCES WITHIN AUSTRALIA (a) STATES 1946

Cause of Discontinuance	New South Wales		Victoria		Queensland		South Australia		Western Australia		Tasmania		Total	
	No. of policies.	Sums Assured £'000	No. of policies.	Sums Assured £'000	No. of policies	Sums Assured £'000	No. of policies.	Sums Assured £'000	No. of policies	Sums Assured £'000	No. of policies	Sums Assured £'000	No. of policies.	Sums Assured £'000
ORDINARY DEPARTMENT														
Death ..	4,627	1,852	3,736	1,592	2,118	761	1,088	415	694	260	448	197	12,711	5,077
Maturity ..	5,489	1,460	6,299	1,190	3,010	581	1,662	307	854	177	630	103	17,944	3,818
Surrender ..	10,309	3,852	6,976	3,068	3,191	1,242	1,890	697	1,247	485	1,065	342	24,678	9,686
Lapse ..	7,403	2,730	4,027	2,033	3,780	1,574	1,605	721	1,018	469	642	3,399	18,475	7,926
Other (b) ..	(-)1,340	451	(-)1,706	162	394	347	(-)179	95	(-)104	66	(-)69	86	(-)3,004	1,207
TOTAL:	26,488	10,345	19,332	8,045	12,493	4,505	6,066	2,235	3,709	1,457	2,716	1,127	70,804	27,714
INDUSTRIAL DEPARTMENT														
Death ..	8,824	352	7,252	286	2,627	107	2,119	76	1,224	53	471	21	22,517	895
Maturity ..	28,202	1,282	27,831	1,247	7,264	319	6,514	289	4,441	201	1,498	67	75,750	3,405
Surrender ..	10,970	475	9,834	422	3,931	191	2,374	92	1,851	88	428	21	29,388	1,289
Lapse ..	36,492	2,601	19,643	1,641	10,762	833	6,324	467	4,794	421	2,471	201	80,486	6,164
Other (b) ..	519	42	531	20	(-)39	-	40	6	(-)323	(-)23	(-)305	(-)21	423	24
TOTAL:	85,007	4,752	65,091	3,616	24,545	1,450	17,371	930	11,987	740	4,563	289	208,564	11,777
TOTAL														
Death ..	13,451	2,204	10,988	1,878	4,745	868	3,207	491	1,918	313	919	218	35,228	5,972
Maturity ..	33,691	2,742	34,130	2,437	10,274	900	8,176	596	5,295	378	2,128	170	93,694	7,223
Surrender ..	21,279	4,327	16,810	3,490	7,122	1,433	4,264	789	3,098	573	1,493	363	54,066	10,975
Lapse ..	43,895	5,331	23,670	3,674	14,542	2,407	7,929	1,188	5,812	890	3,113	600	98,961	14,090
Other (b) ..	(-)821	493	(-)1,175	182	355	347	(-)139	101	(-)427	43	(-)374	65	(-)2,581	1,231
TOTAL:	111,495	15,097	84,423	11,661	37,038	5,955	23,437	3,165	15,696	2,197	7,279	1,416	279,368	39,491

(a) Excludes annuities.
(b) Includes transfers to (-) and from Australian registers.

TABLE 3. LIFE ASSURANCE - BUSINESS IN EXISTENCE WITHIN AUSTRALIA (a) STATES, 1946

Particulars		New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Total
ORDINARY DEPARTMENT								
Number of Policies issued	..	632,307	481,765	297,567	161,992	100,573	55,949	1,730,153
Sums Assured	£'000	243,419	189,607	106,263	56,953	38,804	19,953	654,999
Annual Premiums payable	£'000	8,472	6,650	3,491	1,964	1,321	650	22,548
INDUSTRIAL DEPARTMENT								
Number of Policies issued	..	1,308,385	1,119,476	374,784	342,219	204,486	79,319	3,428,669
Sums Assured	£'000	68,076	58,660	20,001	16,662	10,518	4,368	178,285
Annual Premiums payable	£'000	3,919	3,402	1,150	960	603	245	10,279
TOTAL								
Number of Policies issued	..	1,940,692	1,601,241	672,351	504,211	305,059	135,268	5,158,822
Sums Assured	£'000	311,495	248,267	126,264	73,615	49,322	24,321	833,284
Annual Premiums payable	£'000	12,391	10,052	4,641	2,924	1,924	895	32,827

(a) Excludes Annuities.

TABLE 4. LIFE ASSURANCE - SUMMARY OF BUSINESS (a) : AUSTRALIA 1937 to 1946

Year	Ordinary Department			Industrial Department			Total		
	Number of policies	Sums Assured £'000	Annual Premiums payable £'000	Number of policies	Sums Assured £'000	Annual Premiums payable £'000	Number of policies	Sums Assured £'000	Annual premiums payable £'000
New Business within Australia									
1937	152,714	50,633	(b)	433,778	20,210	(b)	586,492	70,843	(b)
1938	143,328	47,722	(b)	393,085	18,361	(b)	536,413	66,083	(b)
1939	142,157	48,263	(b)	385,498	18,542	(b)	527,655	66,805	(b)
1940	120,173	40,282	(b)	376,967	17,777	(b)	497,140	58,059	(b)
1941	127,816	44,444	(b)	403,689	19,929	(b)	531,505	64,371	(b)
1942	106,844	38,595	1,365	311,827	16,688	982	418,671	55,283	(b)
1943	102,174	40,796	1,476	277,624	16,125	938	379,798	56,921	2,347
1944	122,937	52,753	2,088	285,628	18,045	1,038	408,565	70,798	2,414
1945	138,113	63,973	2,447	290,622	19,648	1,102	428,735	83,621	3,126
1946	214,921	104,351	3,766	358,695	26,620	1,447	**573,616**	**130,971**	3,549 **5,213**
Discontinuances within Australia									
1937	74,743	22,522	(b)	258,375	11,415	(b)	333,118	33,937	(b)
1938	77,849	24,034	(b)	278,482	12,539	(b)	356,331	36,573	(b)
1939	80,192	24,786	(b)	262,096	12,132	(b)	342,288	36,918	(b)
1940	78,507	24,669	(b)	258,525	12,084	(b)	337,032	36,753	(b)
1941	73,177	24,134	(b)	233,429	10,968	(b)	306,606	35,102	(b)
1942	63,021	22,481	(b)	192,949	9,369	(b)	255,970	31,850	(b)
1943	52,982	17,617	(b)	151,016	7,372	(b)	203,998	24,989	(b)
1944	49,437	16,669	(b)	153,538	7,753	(b)	202,975	24,422	(b)
1945	57,727	20,873	(b)	170,837	9,056	(b)	228,564	29,929	(b)
1946	70,804	27,714	(b)	208,564	11,777	(b)	279,368	39,491	(b)
Business in Existence within Australia									
1937	1,116,033	380,135	(b)	2,253,863	99,545	(b)	3,369,896	479,680	(b)
1938	1,181,412	403,814	(b)	2,368,340	105,452	(b)	3,549,752	509,256	(b)
1939	1,243,378	427,291	(b)	2,491,742	111,862	(b)	3,735,120	539,153	(b)
1940	1,285,044	442,904	(b)	2,610,184	117,555	(b)	3,895,228	560,459	(b)
1941	1,339,683	463,213	(b)	2,780,431	126,495	(b)	4,120,114	589,708	(b)
1942	1,383,540	477,862	15,650	2,899,139	133,805	7,944	4,282,679	611,667	23,594
1943	1,432,760	499,229	16,497	3,025,795	142,560	8,423	4,458,555	641,789	24,920
1944	1,506,264	535,324	17,926	3,157,977	152,841	8,982	4,664,241	688,165	26,908
1945	1,586,662	578,435	19,583	3,279,086	163,459	9,537	4,865,748	741,894	29,120
1946	1,730,153	654.999	22,548	3,428,669	178,285	10,279	5,158,822	833,284	32,827

(a) Excludes Annuities. (b) Not available.

TABLE 5. LIFE ASSURANCE - REVENUE AND EXPENDITURE WITHIN AUSTRALIA : 1939, 1945 AND 1946

Particulars	1939			1945			1946		
	Ordinary Department	Industrial Department	Total	Ordinary Department	Industrial Department	Total	Ordinary Department	Industrial Department	Total
Revenue within Australia									
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assurance and Endowment Premiums									
New (a) ..	1,613	(b)6,490	(b)20,444	2,148	(b)9,370	(b)29,334	2,962	(b)9,879	(b)32,199
Renewal (a) ..	12,341			17,816			19,358		
Annuity Premiums (a) ..	184	-	184	275	-	275	459	-	459
Interest, Dividends and Rent ..	7,547	1,751	9,298	9,203	2,291	11,494	9,654	2,389	12,043
All Other Receipts ..	13	47	60	14	17	31	41	3	44
Total Revenue:	21,698	8,288	29,986	29,456	11,678	41,134	32,474	12,271	44,745
Expenditure within Australia									
Death Claims (a) ..	(c)7,936	(c)3,132	(c)11,068	6,509	840	7,349	6,644	839	7,483
Matured claims under Endowment and Endowment Assurance (a)				4,688	3,860	8,548	5,029	3,994	9,023
Surrenders (a) ..	1,842	499	2,341	1,094	211	1,305	1,499	368	1,867
Cash Bonuses to Policy Holders (a)	261	-	261	103	-	103	112	-	112
Annuities (a) ..	219	-	219	234	-	234	247	-	247
Commission ..	1,008	1,354	2,362	1,242	1,582	2,824	1,836	1,734	3,570
Expenses of Management ..	1,178	718	1,896	1,232	832	2,064	1,595	933	2,528
Licence Fees and Taxes ..	316	83	399	634	218	852	684	236	920
Shareholders' Dividends ..	102	56	158	71	36	107	74	38	112
All Other Expenditure ..	1,185	244	1,429	417	248	665	505	222	727
Total Expenditure:	14,047	6,086	20,133	16,224	7,827	24,051	18,225	8,364	26,589

(a) After deduction of Re-assurances.
(b) New and renewal premiums not available separately.
(c) Death and matured claims not available separately.