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Life insurance industry continues to support Kiwis when they need it most

New data released today by the Financial Services Council shows that the life insurance industry (including trauma, income loss and accidental death insurance) is continuing to support Kiwis when they need it most.

The FSC's *Spotlight on Insurance 2020* found that for the year ended 31 March 2020 the industry paid out \$1.49 billion in claims, or just over \$4 million a day.

"This is a \$200 million increase from the previous year and shows that our members are there more than ever before for New Zealanders in their time of need", said Richard Klipin, Chief Executive Officer of the Financial Services Council.

"Although this annual snapshot largely pre-dates the impact of COVID-19, it reinforces the importance of us all having adequate insurance cover to support us through good times and bad.

"The 2020 Spotlight shows a small reduction in the number of insurance contracts in place from 3.99 million to 3.93 million.

"This is concerning as we know from the *Gambling on Life* research released by the FSC earlier this year that New Zealanders are underinsured across the board when it came to loss of life, job or serious illness.

"There is a clear challenge for us as an industry to continue to work with Kiwis to ensure they understand the need for adequate insurance cover and are protected should the unthinkable happen.

"The COVID-19 pandemic is a reminder of how important the responsibility of our members to build, manage and protect the financial resilience of New Zealanders through good times and bad is.

"*Spotlight on Insurance 2020* and the over \$4 million a day being paid out in claims demonstrates that the industry is delivering on that responsibility and is well placed to support New Zealanders through any challenging times ahead", concluded Klipin.

The full *Spotlight on Insurance 2020* can be found [here](#).

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The FSC is a non-profit member organisation and the voice of the financial services sector in New Zealand. Our 68 members comprise 95% of the life insurance market in New Zealand and manage funds of more than \$83bn. Members include the major insurers in life, disability and income insurance, fund managers, KiwiSaver and workplace savings schemes (including restricted schemes), professional service providers, and technology providers to the financial services sector.

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