
Facts About the U.S. Life Insurance Industry

Providing Jobs

- The life insurance industry generates approximately 2.5 million jobs in the U.S., including direct employees, those who sell life insurance products, and non-insurance jobs supported by the industry.
- The U.S. life insurance industry is made up of nearly 1,000 companies with sales and operations across the country.

Protecting Families

- 75 million American families (2 out of 3) depend on the life insurance industry for financial and retirement security.
- American families have more than \$18.4 trillion worth of life insurance protection through individual policies and group certificates.
- At the end of 2010, 152 million individual life insurance policies were in force. Of the 10 million policies issued in that year, 61 percent were permanent life insurance policies.
- The life insurance industry pays out \$1.5 billion every day. To put that in perspective, Social Security pays out \$1.9 billion every day.
- One out of every five dollars (20%) of Americans' long-term savings is in life insurance and annuities. These savings are key to the protection and guarantees these products provide.

Investing in the Economy

- The life insurance industry has \$4.8 trillion invested in the U.S. economy, making it one of the largest sources of investment capital in the nation.
- Life insurers invest in American business for the long-term. More than 33% of bonds held by life insurers had a maturity of more than 20 years at the time of purchase. More than 60% had a maturity of more than 10 years.
- Life insurers are the single largest source of bond financing for American businesses, holding over 17% of all U.S. corporate bonds.
- Of the \$769 billion in government and agency bonds held by life insurers, the overwhelming majority, \$740 billion, were in long-term obligations.
- Life insurers provide long-term capital to the commercial mortgage market, financing more than \$299 billion, or 9.5%, of U.S. commercial mortgages.

About ACLI

- ACLI represents more than 300 legal reserve life insurer and fraternal benefit society member companies operate throughout the U.S.
- ACLI members represent more than 90% of the assets and premiums of the U.S. life insurance and annuity industry. Additionally, ACLI member companies offer pensions, 401(k) and other retirement plans, long-term care and disability income insurance, and reinsurance.

Sources: ACLI calculations based on National Association of Insurance Commissioners (NAIC) 2010 annual statement data; U.S. Bureau of Economic Analysis, 2009 data; U.S. Census Bureau, 2009 data; U.S. Bureau of Labor Statistics; 2009 data; and Federal Reserve's 2007 Survey of Consumer Finances; Federal Reserve Flow of Funds data.

January 2012