

# Premium Rates to Decrease 14.2% in 2006

The average premium rate for 2006 will decrease by 14.2% (26 cents) from \$1.83 to a rate of \$1.57 per \$100 of insurable earnings.

Strong financial performance and employer's focus on disability management means 93% of Alberta's employers will see lower industry rates in 2006.

## Costs:

Claims costs remain the largest component of premium rates. Forecasted cost drivers are:

- ↓ Duration of claims - forecast to decrease by 14% (34.4 days for 2005), from 40.1 days in 2004.
- ↓ Lost-time claim rate forecast to decrease from 2.6 injuries per 100 people in 2004 to 2.5 for 2005.
- ↑ Lost-time claims are forecast to increase 5.1% from 37,500 in 2004 to 39,400 in 2005.
- ↑ Claims costs increased by 2% (from \$567.9 million in 2004 to a forecasted \$579.3 million in 2005).

## Fully Funded

WCB developed a funding strategy aimed at achieving both:

- the required funding levels, and
- premium rate stability into the future

The premium rate decrease for 2006 is largely due to achieving the required funding levels, resulting in the removal of 23 cents from the premium rate for 2006. The balance of the rate reduction reflects improved claims performance.

## Injury Rate and Disabling Injury Rate

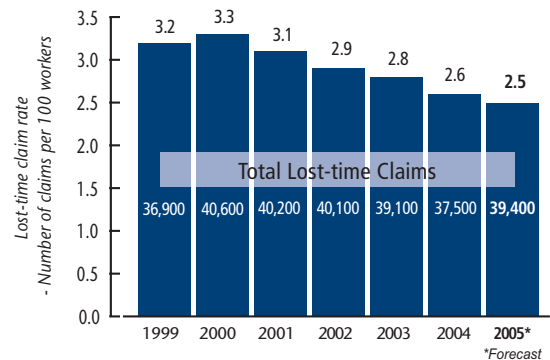
Employers' disability management and modified work programs are impacting the number of lost time claims - this is an important first step in managing injuries and costs. When lost time claims are added to modified work claims the result is the total disabling injuries - the number of injuries that could potentially be lost time claims. Although the lost-time claim rate has fallen, the disabling injury rate has essentially remained unchanged, and signals a need for continued vigilance in reducing injuries in the workplace.

For more information call the WCB:

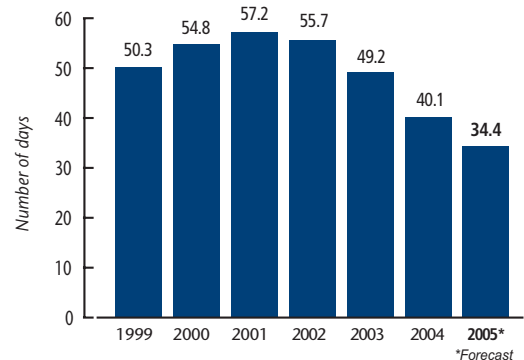
Edmonton: (780) 498-3999  
 Calgary: (403) 517-6000 or  
 Toll-free: 1-866-WCB-WCB1 (922-9221)  
 (from anywhere in Alberta)  
 Website: [www.wcb.ab.ca](http://www.wcb.ab.ca)

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### Lost-time Claim Rate



### Lost-time Claim Duration Days



### Disabling Worksite Injuries

