

2017 Premium Rates

Premium Rates: 2017

WCB is committed to ensuring benefits for injured workers are protected now and well into the future. We protect those benefits when setting premium rates by ensuring today's employers pay for the current and future costs of today's injuries.

The workers' compensation system needs to be stable for workers and employers alike. We set premium rates to cover the full costs of claims, while ensuring industries and individual employers are accountable for their own performance. Positive performance leads to rates that are stable and affordable, and that means your workers continue to get the protection they need, while you receive good value for the premiums you pay.



Rate highlights

Alberta's economy is expected to improve slowly in 2017 after experiencing less than favourable economic performance in 2016. Claim costs and insurable earnings are anticipated to increase minimally in 2017. As a result, the average industry rate will remain flat at \$1.02.

2017 Industry Rate:

Lowest: \$0.13

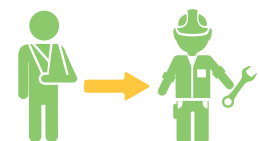
Average: **\$1.02**

Highest: \$5.75

There are 345 industries in Alberta. In 2017:

- **163** industries will see less than a 5 per cent change in their industry premium rate.
- **138** industries will see an increase of over 5 per cent in their industry premium rate.
- **44** industries will see a decrease of over 5 per cent in their industry premium rate.

You have a big impact on the premiums you pay and as a result, your rates reflect your performance. Help is always available so you can lower your rates by improving your return-to-work results. Call us today if you need help (1-866-922-9221).





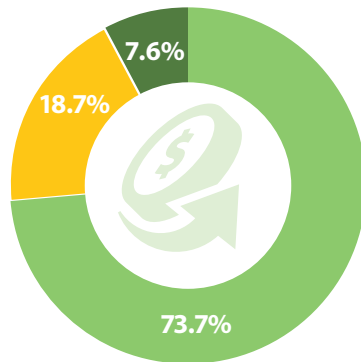
Where your premiums go

The money you pay funds workers' compensation insurance for your workers. WCB coverage is no-fault insurance, and it compensates injured workers when a workplace injury or illness happens.

Rate components – here's how the rate breaks down:

2017 rate components

Claim costs account for **73.7 per cent** of the overall premium rate.



- Fully funded claim costs – **73.7%**
- Fully funded administration costs – **18.7%**
- Occupational Health and Safety, safety associations and Appeals Commission – **7.6%**

Maximum insurable earnings for 2017: **\$98,700** (no change from 2016).



Covered workers/registered employers

Covered workers/registered employers

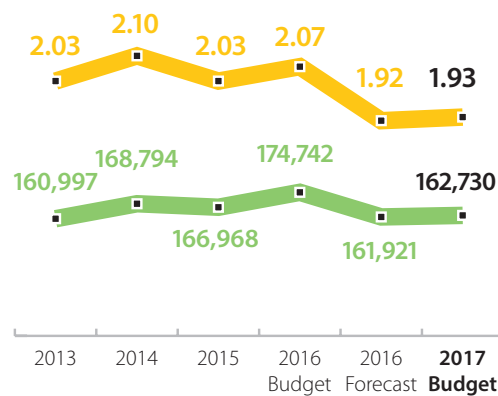
In 2017, the numbers of **covered workers** and **registered employers** are expected to increase slightly by **0.5 per cent** compared to the 2016 forecast.



Number of covered workers (millions)



Number of registered employers

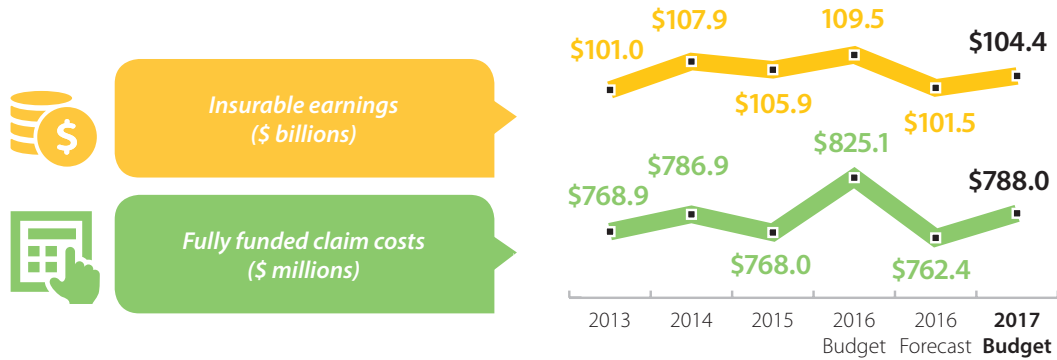




Key components of your premium rate

There are several key factors that affect the average premium rate. Your individual rate is a reflection of your own performance and the performance of your industry.

Fully funded claim costs vs. insurable earnings



Fully funded claim costs—

Fully funded claim costs include current and future costs of new claims. We must ensure we have enough funds to pay worker benefits for the life of these claims. **Claim costs are forecast to increase 3.4 per cent in 2017 compared to the 2016 forecast.**

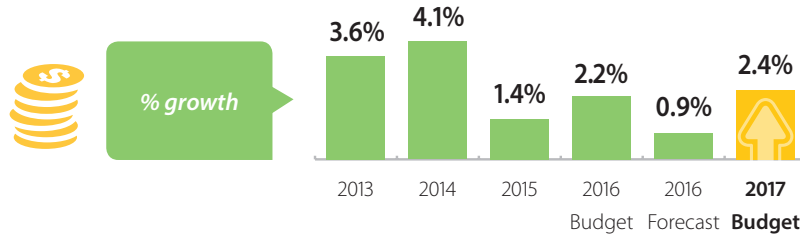
Insurable earnings—

This is the portion of your workers' gross earnings that your WCB premiums are based on. **Insurable earnings overall are forecast in 2017 to increase 2.9 per cent to \$104.4 billion compared to the 2016 forecast.**

Claimant wage growth—

Growth in the wages of covered workers is factored into estimations of insurable earnings. There is a **2.4 per cent increase in claimant wages budgeted for 2017.**

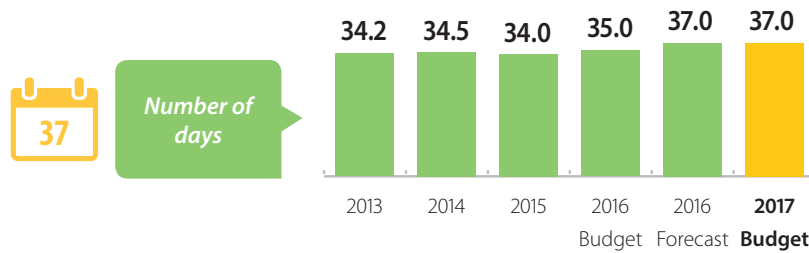
Claimant wage growth



Claim duration—

It takes a combined focus on return to work to help workers get back to their jobs quickly and safely. In 2017, the **average claim duration is expected to remain flat at 37 days.**

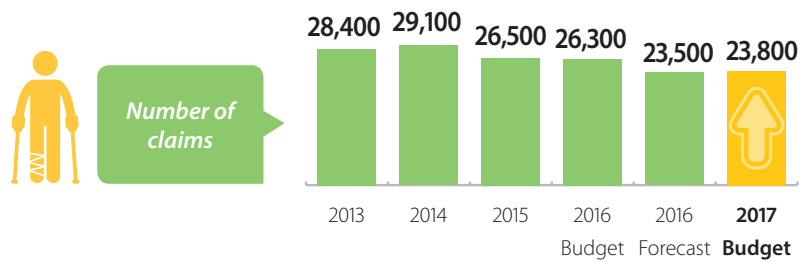
Claim duration



Lost-time claim (LTC) volume—

LTCs are claims where the injured worker misses time from work beyond the day of the injury. In 2017, **lost-time claim volume is anticipated to increase slightly by 1.28 per cent compared to the 2016 forecast.**

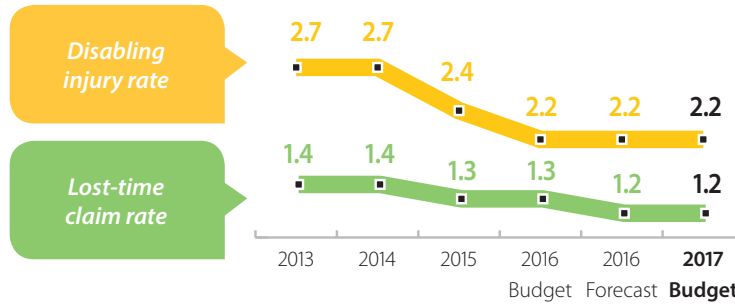
Lost-time claim volume



Disabling injury and lost-time claim (LTC) rates

Disabling injury and LTC rates—

When LTCs are added to modified work claims (where the worker was able to remain on the job in an alternate role or schedule), the result is the total number of disabling injuries—the number of injuries that are, or could potentially be, lost-time claims.



Consistent safety performance and collaborative return-to-work initiatives continue to keep claim rates low.

The LTC and disabling injury rates reflect the number of claims per 100 workers. The disabling injury rate is expected to remain at 2.2 per 100 covered workers and the LTC rate will also remain stable at 1.2 per 100 covered workers.



Good safety performance equals great results

The best way to manage your premiums continues to be reducing the number of workplace injuries and providing timely modified work opportunities. You can influence your return-to-work results in a variety of ways.

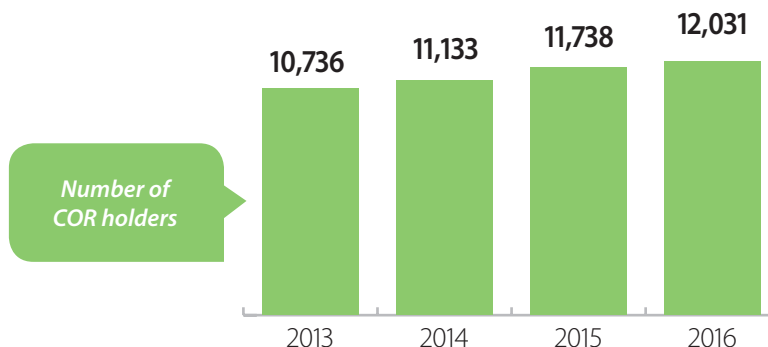
And remember — we are always here to help you.

Partnerships in Injury Reduction (PIR)

If you're part of the PIR program, you can reduce your premiums by up to **20 per cent** while creating a safer workplace.

More employers join the program each year by earning a Certificate of Recognition (COR) from the province.

Partnerships in Injury Reduction (PIR)






45.7 per cent of covered workers are working for an employer with a COR (as of Nov. 4, 2016).

Industry Custom Pricing (ICP)

ICP is a voluntary, flexible pricing option that strengthens employer accountability. Industries are able to take greater control of the premiums they pay by making choices on the features of ICP.

Industry Custom Pricing (ICP)

-  **176 industries participate** in WCB's ICP program.
-  **4 new industries** have opted to participate in 2017.
-  **4 industries have expanded the capacity of their existing ICP participation** to include the Experience Rating option in 2017.



Our website, www.wcb.ab.ca, provides information for you at your fingertips.

Interested in learning how providing modified work to your employees can help you manage the premiums you pay?

Visit [Return to Work > Return-to-work planning > For employers](#).

Looking for online resources to help you?

Visit [Resources > For employers > Online services](#).

Learn how Occupational Injury Service clinics help you and your injured worker following a work injury.

Visit [Insurance and Premiums > Lower your premiums > Occupational Injury Service \(OIS\)](#).



We're here
to help

More information about WCB's discounts and surcharges and the tools and resources is available to you. Visit [Insurance and Premiums > Lower your premiums](#).