

Average premium rate decreases 7.7 per cent in 2008 to \$1.32

92* per cent of employers see a decrease in their industry premium rate in 2008

Premium rates are driven by claim volumes and claim costs. Despite significant growth in our economy and workforce, stable claim volumes and costs reflect employers' success in safety and disability management.

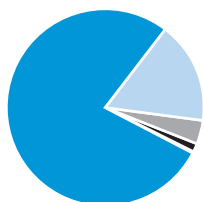
WCB-Alberta maintains a sound financial position ensuring long-term stability for the workers' compensation system.

Great performance reflects great effort. Busy Alberta workplaces require an unwavering focus on safety. Working together, we are making a difference.

2008 Rate Drivers:

- Fully-funded claim costs for 2008 are estimated to increase by 1.3 per cent, taking into account:
 - expected wage and other claim-related inflation
 - a 2.1 per cent increase in lost-time claim (LTC) volume
 - stable claim duration at 33.4 days
- Insurable earnings are forecast to increase by 6.8 per cent to \$73.4 billion.
- The lost-time claim rate is expected to drop to 2.1 per 100 covered workers. The disabling injury rate (DIR) is also down below 4 per 100 covered workers.

Why \$1.32?



- 78% Fully Funded Claim Costs: \$1.03
- 16.7% Administration: \$0.22
- 3.9% Transfer Levies / Contributions to WH&S, Appeals Commission & safety assoc.: \$0.05
- 1.5% Fund Balance / Occupational Disease Reserve: \$0.02

Fully-funded claim costs represent 78 per cent of the rate.

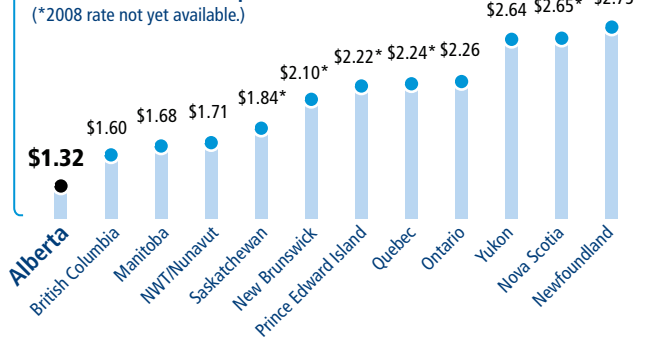
Administration costs have remained stable over time.

WH&S levy, safety association grants and the appeals commission combined cost is lower than last year by \$0.01.

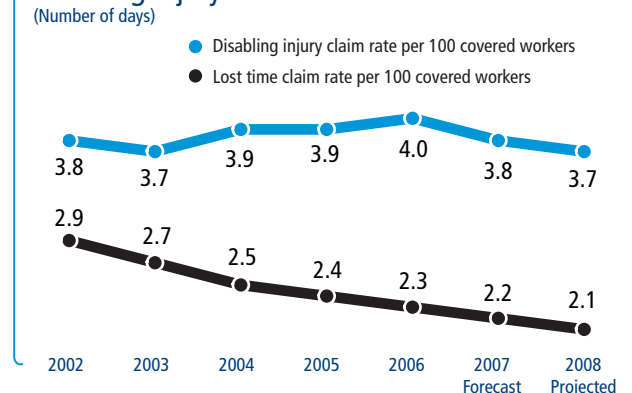
Fund balance requirement has increased by a penny to maintain the Occupational Disease Reserve.

*Revised

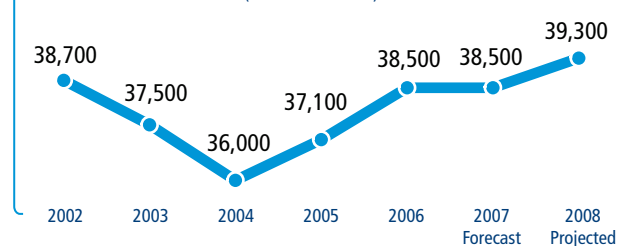
How Do We Compare?



Disabling Injury Rate and Lost-Time Claim Rate



Lost-time Claims (Number of claims)



Lost-time Claim Duration Days (Number of days)

