

2023 Premium Rates

WCB is providing employers with a 24-cent subsidy on 2023 premium rates. The premiums employers pay help fund the workers' compensation system and protect you and your workers against the impact of workplace injuries. These premiums fund the benefits and services that lead to recovery and positive return-to-work outcomes for a safe, healthy and strong Alberta.

As the economy, inflation and rising injury rates have put growing pressure on employers, WCB will ease the burden by continuing to subsidize rates in 2023.

Rising workplace injuries and costs impact premium rates in 2023

Claim volume increased approximately one third compared to 2021 and is up by close to 50% since 2019. Workplace illnesses and injuries are growing more severe and the **lost-time claim rate per 100 covered workers is trending upwards** (up 31% since 2019). In addition, many employers have struggled to find suitable **modified work opportunities** for their injured workers. As a result, these workers are off work for longer periods and claim duration has increased 29% since 2019 (to an average of 62 days). Together, these factors drove a significant rise in the cost of workplace illness and injuries in 2022.

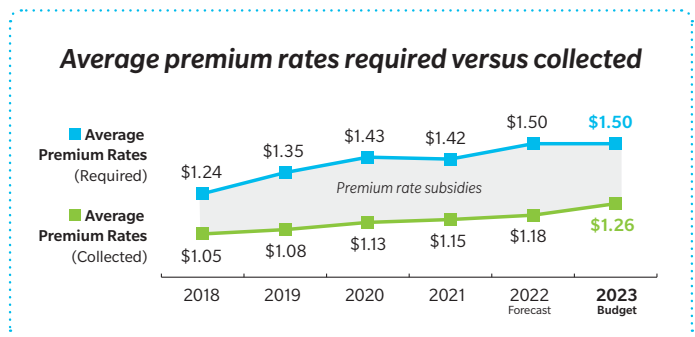


Employer premium rate subsidization continues in 2023

We are fully committed in our support for employers.

Over the last six years, our Board of Directors has opted to provide premium rate subsidies to support employers during challenging economic times. Recognizing the challenges we collectively faced in 2022, it is important that we continue to subsidize premiums to help employers through this period of recovery.

To fully cover the anticipated cost of 2023's workplace illnesses and injuries, we would need to increase the average employer premium rate to \$1.50 per \$100 of assessable earnings. We understand that's a large cost to bear all at once, so we are providing **an additional \$273.4 million in rate subsidies** this year, using the Accident Fund to absorb the \$0.24 gap between the collected rate (\$1.26) and the required rate (\$1.50). This measured approach



brings the cumulative total of subsidies in recent years to **\$1.6 billion**, providing the support employers need when you need it most.

Over the next several years we will continue to reduce the gap between the premium rate employers are charged and the rate that would be required to fully cover claim costs.

Your premiums provide affordable and reliable protection

It is important that you pay fair and reasonable premiums for the system you fund. **Despite this year's rate increase, our rates remain some of the lowest in the country.**

While the average rate is increasing by roughly the rate of inflation at **6.8%**, rates for **142** industries remain flat or are decreasing. This is due in large part to their collective health, safety and return-to-work efforts.

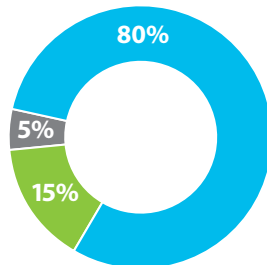
Small businesses represent 85% of all WCB accounts and it's critically important that your workers' compensation coverage remains affordable. The majority of **small business owners will see an increase of less than \$30 per month.**

On average, the typical owner/operator in the trucking industry will pay only \$15 more per month than they did in 2022, a small home renovation business will pay \$3 more a month, and a family restaurant will see no change to their industry base rates. Some small businesses will pay more because the cost of injuries in their industry is rising significantly faster than their counterparts.

41% of industry base rates will see a reduction or no change to the premium rate charged in 2023.

Where do your premiums go?

The majority of those funds in a given year go directly towards claim costs, with the rest allocated to administration, Occupational Health & Safety and other costs.



- Fully-funded claim costs – 80%
- Fully-funded administration costs – 15%*
- Occupational Health & Safety, safety associations and Appeals Commission – 5%

* WCB's administration costs are expected to remain the lowest in the country, as measured by the Association of Workers' Compensation Boards of Canada.

You're in control of your performance

Your individual rate reflects your industry's performance as well as your own. **There are things you can do to achieve the best performance (and lowest rates) possible.** Fewer claims, lower claim costs and safer workplaces can add up to lower premium rates.



Invest in safety – Employers who hold a [Certificate of Recognition \(COR\)](#) and belong to the [Partnerships in Injury Reduction \(PIR\)](#) program can reduce their premiums up to 20% while creating a safer workplace.



Develop a modified work program – If one of your employees is hurt at work, finding timely and suitable [modified work](#) will pay off, too. Modified work helps to lower your claim costs and keeps injured workers job-attached in meaningful ways.



Tap into your industry's safety association – [Safety associations](#) can help you develop a safer work environment.



Access Occupational Injury Services (OIS) – Our [Occupational Injury Service](#) is designed to connect injured workers with fast access to medical professionals who specialize in work-related injuries. Quick treatment and a safe and timely return to work can reduce claims costs and can help you lower your premiums.



Reach out for support – There are resources available to help you manage your own performance and lower your individual rate, including [free workshops](#), [online services](#) and [resources](#).

We can help you improve your return-to-work results. Contact us today.

- 780-498-3999 (Edmonton)
- 403-517-6200 (Calgary)
- 1-866-922-9221 (toll-free in Alberta)
- 1-800-661-9608 (toll-free outside Alberta)
- employer@wcb.ab.ca