

Bulletin to PPV Insurers

Private Passenger Vehicle Benchmark Schedule Effective October 1, 2025

Purpose

The Automobile Insurance Rate Board (AIRB) is issuing this Bulletin to advise all private passenger vehicle (PPV) insurers operating in Alberta the 2025 Annual Review of PPV experience has been completed based on data to December 31, 2024. The AIRB has approved the PPV Industry Benchmarks Schedule (Schedule), effective October 1, 2025. The AIRB has posted the Schedule and the related actuarial report on the AIRB [website](#).

Background

On July 1, 2014, Section 9 of the Automobile Insurance Premiums Regulations came into effect, requiring the AIRB to conduct an Annual Review of industry experience based on data to December 31. In addition, AIRB Policy [Po5- Review of Automobile Insurance Trends & Premiums](#) requires the AIRB to conduct a Semi-Annual Review based on data to June 30.

The AIRB develops Industry Benchmarks to support insurers when preparing rate filings. The AIRB and its consulting actuary use the Industry Benchmarks as a reference when reviewing individual insurer's filings and opining on the assumptions' reasonableness. The insurer's data must support assumptions that vary significantly from industry experience.

On June 17, 2025, the AIRB shared the preliminary report for the 2025 Annual Review with the industry and invited them to participate through written submissions or presentations at the Annual Review Open Meeting, held on August 14, 2025.

Action Required

Based on the Annual Review analysis of Alberta PPV loss experience ending December 31, 2024, the AIRB approved the Industry Benchmarks Schedule to take effect on October 1, 2025.

The AIRB expects insurers to use their own data in rate filings to the extent possible, reflecting their mix of business and unique circumstances. Insurers may use the AIRB Industry Benchmarks when they do not have sufficient data or cannot support their assumptions' reasonableness. The AIRB will use these industry benchmarks as a point of reference in our review of PPV filings submitted on or after October 1, 2025.

Should you have any questions relating to this Bulletin, please contact our office at (780) 427-5428 or by email: airb@gov.ab.ca.

Laurie Balfour, MBA, CPA, CMA
Executive Director

Attachment

- 1 2025 Annual Review Industry Benchmarks Schedule – Private Passenger Vehicle - Effective October 1, 2025

2025 Annual Review Industry Benchmarks Schedule – PPV

Effective Date: For all filings submitted on or after October 1, 2025

Loss Development Factors

Appendix #1 outlines the AIRB approved benchmark loss development factors.

Loss Trends

The AIRB approved benchmark trend rates. Insurers should use their data to select loss trend rates, to the extent it is credible, and provide full support and details. If an insurer does not have credible data, they may use these benchmark loss trend rates without further support.

Coverage	Selected Past/ Future Trend Rates
Bodily Injury	+8.7%
Property Damage	+1.6%
Direct Compensation for Property Damage	+1.6%
Accident Benefits	+11.9%/+7.0%
Collision	+2.4%
Comprehensive	+4.9%
All Perils	+3.7%
Specified Perils	+5.3%
Underinsured Motorist	+4.6%

Other Benchmarks

Other Benchmark	Selected Benchmark
Health Cost Recovery	Current ¹
Operating Expenses	22.6%
Unallocated Loss Adjustment Expenses (ULAE)	1.082
Profit Provision	6.00%

¹ Refer to the most current percentage published on the President of Treasury Board and Minister of Finance's [website](#).

Appendix 1

AIRB Approved Age-to-Ultimate Development Factors As of December 31, 2024 Alberta Private Passenger Automobile (Excluding Farmers)

As of 2024-2
Age-to-Ultimate Factors
Incurred Claim Amount

	Bodily Injury	Property Damage	Accident Benefits	Collision	Comprehensive	Comprehensive Theft	All Perils	Specified Perils	Underinsured
180-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
174-Ult	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
168-Ult	1.001	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
162-Ult	1.000	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
156-Ult	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.001
150-Ult	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.999
144-Ult	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.996
138-Ult	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.998
132-Ult	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	0.992
126-Ult	1.002	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.003
120-Ult	1.004	1.000	1.004	1.000	1.000	1.000	1.000	1.000	0.991
114-Ult	1.004	1.000	1.004	1.000	1.000	1.000	1.000	1.000	0.991
108-Ult	1.007	1.000	1.008	1.000	1.000	1.000	1.000	1.000	0.998
102-Ult	1.009	1.000	1.007	1.000	1.000	1.000	1.000	1.000	1.007
96-Ult	1.010	1.000	1.008	1.000	1.000	1.000	1.000	0.999	0.994
90-Ult	1.012	1.000	1.009	1.000	1.000	1.000	1.000	1.000	0.995
84-Ult	1.016	1.000	1.008	1.000	1.000	1.000	1.000	1.000	0.983
78-Ult	1.022	1.000	1.009	1.000	1.000	1.000	1.000	1.000	0.984
72-Ult	1.026	1.000	1.007	1.000	1.000	1.000	1.000	0.999	0.972
66-Ult	1.040	1.000	1.009	1.000	1.000	1.000	1.000	1.000	1.002
60-Ult	1.062	1.000	1.010	0.999	1.000	1.000	1.000	1.000	1.026
54-Ult	1.098	1.000	1.017	0.999	0.999	1.000	0.999	1.000	1.057
48-Ult	1.148	0.999	1.023	0.999	0.999	0.999	0.999	1.000	1.096
42-Ult	1.228	0.999	1.025	0.999	0.999	0.999	1.000	1.000	1.147
36-Ult	1.379	1.001	1.036	0.998	0.999	1.000	1.001	1.000	1.277
30-Ult	1.622	1.001	1.032	0.997	0.999	0.999	1.005	1.000	1.538
24-Ult	2.044	1.010	1.000	0.997	1.001	0.999	1.001	0.999	2.041
18-Ult	2.609	1.018	1.077	0.998	1.004	0.998	0.997	0.999	2.523
12-Ult	3.384	1.029	1.168	0.992	1.005	0.989	0.989	1.023	3.417
6-Ult	5.620	1.076	1.346	0.977	1.027	0.994	1.038	1.019	9.396

As of 2024-2

**Age-to-Ultimate Factors
Incurred Claim Count**

	Bodily Injury	Property Damage	Accident Benefits	Collision	Comprehensive	Comprehensive Theft	All Perils	Specified Perils	Underinsured
180-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
174-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
168-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
162-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
156-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
150-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
144-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.979
138-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.979
132-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.970
126-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.970
120-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.965
114-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.939
108-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.905
102-Ult	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.885
96-Ult	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.850
90-Ult	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.823
84-Ult	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.780
78-Ult	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.737
72-Ult	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.676
66-Ult	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.001	0.651
60-Ult	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.001	0.617
54-Ult	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.001	0.598
48-Ult	0.986	1.000	0.999	1.000	1.000	1.000	1.000	1.001	0.570
42-Ult	0.981	1.000	0.999	1.000	1.000	1.000	1.000	1.001	0.542
36-Ult	0.984	1.000	1.000	1.000	1.000	1.000	1.000	1.001	0.559
30-Ult	0.983	1.000	0.999	1.000	1.000	1.000	0.999	1.001	0.657
24-Ult	1.017	1.003	0.999	0.997	1.002	1.000	0.997	1.002	0.940
18-Ult	1.052	1.010	0.998	0.988	1.007	1.000	0.998	1.007	1.116
12-Ult	1.061	1.014	0.994	0.980	1.018	0.999	0.994	1.006	1.321
6-Ult	1.204	1.034	0.983	0.904	1.050	1.003	0.970	1.044	1.683