

Bulletin to Commercial Insurers

Commercial Vehicle Benchmark Schedule Effective October 1, 2025

Purpose

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

Background

The Insurance Act Section 602(1) requires the AIRB to approve all insurers' rating programs and changes. Before 2015, the AIRB annually reviewed commercial vehicle trend rates for internal use in the review of commercial vehicle filings. At its meeting on October 23, 2015, the AIRB enhanced its transparency by placing the approved Schedule and the actuarial report on the AIRB website, a practice which has continued.

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' 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 review with the industry and invited them to participate through written submissions.

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 commercial vehicle 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 – Commercial Vehicle - Effective October 1, 2025

2025 Annual Review Industry Benchmarks Schedule – Commercial

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	+7.9%
Property Damage	-0.3%
Direct Compensation for Property Damage	-0.3%
Accident Benefits	+11.1%
Collision	-0.1%
Comprehensive	+3.9%
All Perils	+1.8%
Specified Perils	+3.9%
Underinsured Motorist	+9.8%

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 Commercial Vehicles (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	1.000	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	1.000
138-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
132-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
126-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
120-Ult	0.998	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000
114-Ult	1.004	0.999	1.000	1.000	1.000	1.000	1.000	0.999	1.021
108-Ult	1.007	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.050
102-Ult	1.014	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.097
96-Ult	1.015	0.999	1.000	1.000	0.999	1.000	1.000	1.000	1.138
90-Ult	1.016	0.999	1.000	1.000	0.999	1.000	0.997	0.991	1.134
84-Ult	1.020	1.001	0.994	1.000	0.998	1.000	0.997	0.988	1.123
78-Ult	1.027	1.001	1.006	1.000	0.998	1.000	0.997	0.988	1.078
72-Ult	1.033	1.005	1.007	1.000	0.998	1.000	0.997	0.988	1.048
66-Ult	1.053	1.005	1.030	0.999	0.998	0.999	0.996	0.988	1.018
60-Ult	1.072	1.005	1.047	0.999	0.999	1.001	0.992	0.988	1.093
54-Ult	1.118	1.004	1.045	0.999	0.998	0.999	0.992	0.990	1.127
48-Ult	1.172	1.004	1.021	0.999	0.998	0.998	0.992	0.991	1.157
42-Ult	1.257	1.005	1.023	0.998	0.998	0.998	0.992	0.990	1.296
36-Ult	1.377	1.008	1.027	0.998	0.998	0.998	0.990	0.993	1.532
30-Ult	1.582	1.011	1.036	0.996	0.998	1.000	0.988	0.992	1.986
24-Ult	1.968	1.032	0.971	0.990	1.003	1.003	0.980	0.990	2.720
18-Ult	2.455	1.055	1.044	0.981	1.008	1.002	0.968	0.998	3.445
12-Ult	3.103	1.117	1.179	0.951	1.008	0.995	0.946	0.997	4.924
6-Ult	4.665	1.437	1.447	1.025	1.098	1.080	1.218	1.025	16.450

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	1.000
138-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
132-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
126-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
120-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
114-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.999	1.000
108-Ult	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.999	0.967
102-Ult	0.999	1.000	1.000	1.000	1.000	1.000	1.000	0.999	0.862
96-Ult	0.999	1.000	1.000	1.000	1.000	1.000	1.000	0.999	0.862
90-Ult	0.997	1.000	1.000	1.000	1.000	1.000	1.000	0.999	0.823
84-Ult	0.997	1.000	1.000	1.000	1.000	1.000	1.000	0.999	0.823
78-Ult	0.993	1.000	1.000	1.000	1.000	0.999	0.999	0.998	0.761
72-Ult	0.990	1.000	1.000	1.000	1.000	0.999	0.999	0.998	0.748
66-Ult	0.988	1.000	0.999	1.000	1.000	0.999	0.999	0.998	0.673
60-Ult	0.984	1.000	0.998	1.000	1.000	0.999	0.999	0.998	0.664
54-Ult	0.984	0.999	0.998	1.000	0.999	0.999	0.999	0.998	0.623
48-Ult	0.981	0.999	0.998	0.999	0.999	0.999	0.999	0.998	0.574
42-Ult	0.975	0.999	0.998	1.000	0.999	0.999	0.999	0.998	0.562
36-Ult	0.971	0.999	0.996	0.999	0.999	0.999	0.999	0.998	0.612
30-Ult	0.957	0.998	0.991	0.998	0.999	0.999	0.998	0.999	0.773
24-Ult	0.965	1.003	0.980	0.994	1.002	0.999	0.992	1.002	1.192
18-Ult	0.987	1.011	0.968	0.980	1.005	0.998	0.979	1.004	1.520
12-Ult	0.985	1.023	0.949	0.955	1.007	0.997	0.936	1.004	1.725
6-Ult	1.118	1.116	0.900	0.825	1.034	1.015	0.860	1.038	3.122