



March 12, 2018

To: Employers Affected by CLR Trade Division Collective Agreements

From: R. Neil Tidsbury

Re: Vehicle and Travel Allowances

On December 22nd, Finance Canada posted “*Government Announces the 2018 Automobile Deduction Limits and Expense Benefit Rates for Business*” (see <http://www.fin.gc.ca/n17/17-131-eng.asp>). The relevant provisions of that release are below:

1. The limit on the deduction of tax-exempt allowances that are paid by employers to employees who use their personal vehicle for business purposes for 2018 will be increased by 1 cent to 55 cents per kilometre for the first 5,000 kilometres driven, and to 49 cents per kilometre for each additional kilometre to reflect that, since the last change to this limit, the per kilometre costs associated with owning and operating an automobile have increased by roughly 1 cent. ...

Accordingly, pursuant to the standard provisions of most collective agreements, the vehicle allowance will rise to 52 cents per kilometre effective the first pay period following May 1, 2018, through April 30, 2019.

The provisions agreed at Framework Bargaining for 2011 and 2015 addressing initial and return allowances, and rotational leave allowances will result in the following adjustments:

Initial and Return Allowances:

- (i) up to 200 kilometres - **\$88.00** each way;
- (ii) 200 kilometres to 300 kilometres - **\$124** each way;
- (iii) 300 kilometres to 375 kilometres - **\$150** each way;
- (iv) over 375 kilometres to 475 kilometres - **\$224.00** each way, or actual airfare if suitable proof of air transport is provided to the Employer.

**Re: Vehicle and Travel Allowances
January 2, 2018**

- (v) over 475 kilometres - as mutually agreed between the parties to this Agreement to a maximum of **\$344.00** each way or air fare inclusive of taxes in the event this is the most practical method of accessing the project/jobsite.

Rotational Leave Allowances:

- (a) On jobs located beyond a three hundred (300) kilometre radius to a maximum of four hundred and seventy-five (475) kilometres from the centre of Edmonton or Calgary or other hiring hall location, the Employer shall:

- (i) Pay an allowance of **\$174.00** after thirty-five (35) calendar days of employment on the job and thereafter for each subsequent thirty-five (35) calendar days of employment on the job.

Where the employee accepts Employer supplied transportation he shall not be entitled to the above allowance.

- (ii) Allow employees five (5) working days leave after each thirty-five (35) calendar days of employment on the job.

- (b) On jobs located beyond a four hundred and seventy-five (475) kilometre radius from the centre of Edmonton or Calgary or other hiring hall location, the Employer shall:

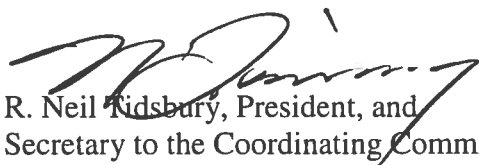
- (i) Provide a negotiated transportation allowance, not to exceed scheduled airline air fare where scheduled air service is available, or pay an allowance of **\$312.00** where airline service is not available, after thirty-five (35) calendar days of employment on the job and thereafter for each subsequent thirty-five (35) calendar days of employment on the job.

The \$150 allowance in section 11.01(a) of Special Project Needs Agreements based on Template A, applicable when bus transportation is provided because air transportation is not practical, will increase to \$153 effective on the first pay period following May 1, 2018.

Re: Vehicle and Travel Allowances
January 2, 2018

Representatives of the Building Trades of Alberta have reviewed and concurred with this information.

Sincerely,
Construction Labour Relations –
An Alberta Association



R. Neil Kidsbury, President, and
Secretary to the Coordinating Committee of Registered Employers' Organizations

cc Coordinating Committee of Registered Employers' Organizations