



January 31, 2017

**To: Employers Affected by CLR Trade Division Collective Agreements**  
**From: R. Neil Tidsbury**

**Re: Vehicle and Travel Allowances**

On December 30<sup>th</sup>, Finance Canada posted “*Government Announces the 2017 Automobile Deduction Limits and Expense Benefit Rates for Business*” (see <http://news.gc.ca/web/article-en.do?nid=1174599&tp=1> ). The relevant provisions of that release are below:

- 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 2017 will remain at 54 cents per kilometre for the first 5,000 kilometres driven, and 48 cents per kilometre for each additional kilometre. For the Northwest Territories, Nunavut and Yukon, the tax-exempt allowance is 4 cents higher, and will remain at 58 cents per kilometre for the first 5,000 kilometres driven, and 52 cents per kilometre for each additional kilometre. These allowances are intended to reflect the main costs of owning and operating an automobile, such as depreciation, financing, insurance, maintenance and fuel.

Accordingly, pursuant to the standard provisions of most collective agreements, the vehicle allowance will remain at 51 cents per kilometre for the May, 2017 through April, 2018 period.

The provisions agreed at Framework Bargaining for 2011 and 2015 addressing initial and return allowances, and rotational leave allowances will maintain those allowances at their 2016 levels:

**Initial and Return Allowances:**

- (i) up to 200 kilometres - **\$86.00** each way;
- (ii) 200 kilometres to 300 kilometres - **\$122** each way;
- (iii) 300 kilometres to 375 kilometres - **\$147** each way;

**Re: Vehicle and Travel Allowances  
January 30, 2017**

- (iv) over 375 kilometres to 475 kilometres - **\$220.00** each way, or actual airfare if suitable proof of air transport is provided to the Employer.
- (v) over 475 kilometres - as mutually agreed between the parties to this Agreement to a maximum of **\$337.00** 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 **\$171.00** 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 **\$306.00** 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.

**Re: Vehicle and Travel Allowances  
January 30, 2017**

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 also remain unchanged for 2017.

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

  
Sincerely,  
**Construction Labour Relations –  
An Alberta Association**

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

cc Coordinating Committee of Registered Employers' Organizations