



February 23, 2016

IMPORTANT NOTICE
CHANGES TO THE TRANSPORTATION RATE

Canada's Department of Finance has posted the **2016 Automobile Deduction Limits and Expense Benefit Rates for Businesses**, which indicates "that the limit on the deduction of tax-exempt allowances that are paid by employers to employees who use their personal vehicle for business purposes will be reduced by 1 cent to 54 cents per kilometre."

As a result, the transportation rates for those provinces tied to the Department of Finance rates, will **decrease by \$0.01/km**. The following are the current Transportation Rates for all Locals, revisions to occur during 2016 are noted below the current rates with the effective date of the change shown:

<u>Province (Local)</u>	<u>Transportation Rate</u>
Alberta (Local 146)	\$0.52 per kilometre (currently) \$0.51 per kilometre (<i>eff. May 1, 2016</i>)
British Columbia (Local 359)	\$0.55 per kilometre (currently) \$0.54 per kilometre (<i>eff. Feb. 28, 2016</i>)
Manitoba (Local 555)	\$0.53 per kilometre
New Brunswick (Local 73)	\$0.50 per kilometre
Newfoundland & Labrador (Local 203)	\$0.68 per kilometre (currently) Change TBD based on bargaining
Nova Scotia (Mainland) & PEI (Local 73) & Nova Scotia (Cape Breton only) (Local 73)	\$0.55 per kilometre (currently) \$0.54 per kilometre (<i>eff. July 3, 2016</i>)
Ontario (Local 128)	\$0.55 per kilometre (currently) Change TBD based on bargaining
Saskatchewan (Local 555)	\$0.55 per kilometre (currently) \$0.54 per kilometre (<i>eff. May 1, 2016</i>)

Note: Wage & Benefit Schedules are currently being revised to reflect the 2016 Transportation Rates (shown above) and will be distributed to Contractors at a later date.

Alberta (Local 146) Only

Transportation Rate:

Per Article 19.00 of the Alberta Collective Agreement, the transportation allowance will adjust (decrease) by \$0.01 from \$0.52 to **\$0.51 per kilometre (effective May 1, 2016)**. Given this -1.92% adjustment to the transportation rate, the following travel allowances will be adjusted by the same percentage, rounded to the nearest dollar. These changes are **effective May 1, 2016**.

Initial and Return Travel Allowances per Article 19.01 (c) – Effective May 1, 2016:

Up to 200 km: **\$86.00** each way
200 – 300 km: **\$122.00** each way
300 – 375 km: **\$147.00** each way
375 – 475 km: **\$220.00** each way (or airfare)
Over 475 km: **\$337.00** each way (or airfare)

Rotational Leave Allowances per Article 19.05 – Effective May 1, 2016:

300 – 475 km: **\$171.00**
Over 475 km: **\$306.00**

PLEASE ENSURE YOUR PAYROLL STAFF IS NOTIFIED

If there is a payroll contact that you wish to include for future notices, please email info@bcacanada.ca.