



Update March 7th, 2008

Vehicle Allowance Adjustment

Most of the CLR collective agreements contain a provision in respect to vehicle allowances such as article 10.06(c)(iii) from the Operating Engineers agreement:

- (iii) The Coordinating Committee and the Alberta Building Trades Council shall examine, during January of each year of the Collective Agreement, the information published by Canada Revenue Agency respecting the vehicle allowance amounts that will not be treated as taxable income, and that will be permitted as business expenses for employers. Such information normally establishes a maximum rate for the first 5,000 km, and a lower rate for additional kilometres. The Coordinating Committee and the Council shall determine a rate that is midway between those two rates. The above vehicle allowance rate shall be adjusted, effective on the first pay period following May 1 of each year, to the rate so determined by the Coordinating Committee and the Council.

The foregoing shall affect each section of this Collective Agreement that prescribes a vehicle allowance.

On December 24th, Finance Canada announced the **2008 Automobile Deduction Limits and Expense Benefit Rates for Business**. See <http://www.fin.gc.ca/news07/07-111e.html>. The vehicle allowance rate has been increased by 2¢ per km:

- The limit on the deduction of tax-exempt allowances paid by employers to employees using their personal vehicle for business purposes for 2008 will be increased by 2 cents to 52 cents per kilometre for the first 5,000 kilometres driven and 46 cents for each additional kilometre. For the Yukon Territory, Northwest Territories and Nunavut, the tax-exempt allowance will rise by 2 cents to 56 cents for the first 5,000 kilometres driven and 50 cents for each additional kilometre. The allowance amounts reflect the key cost components of owning and operating an automobile, such as depreciation, financing, insurance, maintenance and fuel costs.

In accordance with the formula in the collective agreements, the vehicle allowance set out in the collective agreement would rise from 47¢ per kilometre traveled to 49¢ per kilometre traveled, effective May 1, 2008.

On December 27th, we wrote to the ABTC seeking their concurrence with this adjustment. On February 28th, we received their confirmation. Accordingly, effective May 1st (or such other adjustment date as may be prescribed in the respective collective agreements) the vehicle allowance will be adjusted to 49¢ per kilometre.

Learnings from a Recent Decision of a Human Rights Commission Panel

A decision of a panel of the Alberta Human Rights, Citizenship and Multiculturalism Commission was issued on February 15th (see http://www.albertahumanrights.ab.ca/legislation/panel_decis_2008.asp). The complainant electrical foreman alleged he suffered discrimination in the area of employment on the ground of physical disability arising from the employer's site access drug & alcohol testing policy. The complainant had failed the test as a result of the presence of marijuana metabolites in his urine, in concentrations significantly above the permitted levels. The company had referred the complainant for an assessment by a substance abuse expert. The complainant did not follow through on the referral.

The complainant insisted that he was a casual (not addicted) user. The Panel also found no evidence the complainant was perceived by the respondents as being disabled because of drug or alcohol dependency. The employer's request that the complainant attend assessment after a positive drug test was reasonable. The Panel found the complainant's rejection of the respondent's offer of assessment with no follow-up on his part led to his termination. As there was no disability or perceived disability, there was no violation of the provisions of the human rights legislation prohibiting discrimination in respect to employment on the basis of mental or physical disability.

What one can draw from a reading of this decision is that an employer should be clear in ensuring that a worker who has failed to comply with an alcohol and drug policy knows to whom to report for a substance abuse expert assessment, and would be well advised to offer to facilitate the worker in seeking that assessment by giving to the worker the name address and phone number of the organization to which the worker has been referred, offer to help the worker to make an appointment, and clarify for the worker that, where applicable, CEFAP or another employee assistance plan will pay for the costs of fulfilling whatever recommendations may result from the assessment, including detoxification, residential or other treatment, counseling, and aftercare support. The worker should know in specific terms the requisites for being considered for re-deployment.

CLR members are welcome to contact the Association to review and refine their practices and relevant documentation in these matters.

Progress Towards an Agreement for the Suncor Suite of Projects

On behalf of the Coordinating Committee, CLR has engaged in discussions with Suncor and with the Alberta Building Trades towards a long term agreement to apply to certain capital works at Suncor. Initially, if entered into by all trades, the agreement will result in our contractors and their unionized workforces executing three "silos" of the Voyageur Project (Coker, Gas-Oil Hydrotreater, and Diesel Hydrotreater), as well as the Steepbank Extraction Project and the Millenium Naptha Unit.

The agreement sets out work schedules and compensation for workers that would commute to and from the work from within Alberta, for workers from elsewhere in Canada, and for temporary foreign workers from the United States and from abroad. For workers from within 300 km of the project (deemed to include Smoky Lake, Bonnyville, and St. Paul) who will not have access to air travel, the 10 days on / 4 days off work cycle will be compensated at 125 hours paid for 100 worked. For workers in western Canada who will be flown to and from various specified hubs, the compensation for the 10 on / 4 off cycle will be 120 paid for 100 worked. For other workers, cycles will be longer, with flights to designated hubs and appropriate compensation. Copies of the pending agreement are available from the Association on request.

The project agreement has been signed on behalf of all relevant trade jurisdictions except the Carpenters, Labourers, Plumbers & Pipefitters, and Insulators (ratification proceedings in these trade jurisdictions will be completed by the first week of April), the Refractory Bricklayers (a clarification in respect to their trade is being addressed) and the Boilermakers (have not yet indicated they will seek approval of the agreement).

Ways of implementing the agreement on some early work in respect to certain of the trades that have signed it are being explored. We will report on further developments in the coming month.

Please call either Association office for any clarification or further information, or with information to be included in the next Update. All staff can also be contacted by direct e-mail.