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**SECTION 17**

**TRAVEL POLICIES**

**17.05 ALLOWANCE FOR LOW DISTANCE DRIVERS**

**AUTHORITY:** TREASURY BOARD

**ADMINISTRATION:** PUBLIC SERVICE COMMISSION  
TREASURY BOARD SECRETARIAT

**EFFECTIVE DATE:** JUNE 2024

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## 17.05 ALLOWANCE FOR LOW DISTANCE DRIVERS

### (1) PURPOSE

The purpose of this policy is to set out the eligibility and calculation of allowance for low distance drivers.

### (2) APPLICATION

The application of this policy is referenced to the Schedules of the *Financial Administration Act* and applies, as follows:

- Schedule “A” - Departments (except the Legislative Assembly)
- Schedule “B” - Crown Corporations
- Schedule “C” - Education Authorities
- Schedule “D” - Commissions

except to the extent that their enabling legislation may incorporate alternate requirements, such as Ministerial or Board authority.

While this policy **does not apply** to the Legislative Assembly or reporting entities subject to alternate legislation, the **spirit and intent** of the policy should serve as a **guideline** for these entities in developing their own policies. Reporting Entities that develop policies differing from Treasury Board policy require approval of Treasury Board.

### (3) POLICY

- (a) Designated employees within designated classifications who are low distance drivers and who travel most days to perform their duties are eligible for a monthly allowance of \$300, plus one-half of the transportation allowances outlined in Section 17.02 - In-Province Travel. These designated employees shall receive the monthly allowance for the twelve (12) month period equal to the fiscal year.
- (b) The monthly allowance specified above shall be prorated for:
  - (i) part-time employees who work a regular schedule; and
  - (ii) an employee who is on special leave without pay for a period in excess of thirty (30) calendar days.
- (c) Eligible classifications will be designated by the Public Service Commission in consultation with the Employing Authority. Determination of eligibility is subject to review once every twelve (12) month period. Confirmation of eligibility status will be communicated to eligible employees by correspondence from the employing department after consultation with the Public Service Commission.

- (d) As a guide to determining eligibility, employees must have to travel most days to perform their duties; that is, the location of their workplace changes. Generally, they should be travelling 80% of the time, or four days out of five per work week.
- (e) Employees must use their own motor vehicle and shall not have access to a Government vehicle.
- (f) Employees eligible for the allowance must have the vehicle available for use on all working days.
- (g) Eligible employees within eligible classifications will have the option of travel reimbursements according to 3(a) above or Section 17.02 - In-Province Travel of the Treasury Board Policy and Procedures Manual. Eligible employees will notify the Employing Authority which travel reimbursement method is preferred, and acknowledgement of the tax implications associated with travel reimbursements.
- (h) Employees who receive the Allowance for Low Distance Drivers must record their trips on a form authorized by Treasury Board (see Attachment 17.05-I).

#### **(4) TAX IMPLICATIONS**

An employee who receives the low distance driver allowance, under Section 17.02 - In-Province Travel of the Treasury Board Policy and Procedures Manual, must, for income tax purposes, include both the monthly allowance and the transportation allowance received in their calculation of income. The employee and the employer must jointly complete the applicable sections of taxation form T2200 - Declaration of Conditions of Employment. For further information, the employee should consult the Canada Revenue Agency publication entitled "Employment Expenses Tax Guide" or a professional tax advisor. This policy does not and is not intended to provide any type of income tax advice to employees.

#### **(5) INTERPRETATION**

In cases where an interpretation is required, such should be referred to the Secretary to Treasury Board, or their delegated officer, who will make the interpretation or refer the matter to Treasury Board, if a Treasury Board decision is deemed necessary.