



2019-2023 / Bulletin # 390

August 8, 2022

RSMCs Need a Break from High Vehicle Costs!

Canada Post states CRA rate is sufficient.

Fuel cost along with all other incurred expenses for RSMCs have been rising consistently all year. The cost of fuel alone has risen by 40 percent since December 2021.

RSMCs receive money from Canada Post to pay for the use of their vehicles at a rate set by the Canada Revenue Agency (CRA). That amount is updated yearly and was last updated at the start of 2022 based on prices from November 2021. With this sudden increase in inflation, including the cost of gas, the math no longer makes sense.

Only the Government of Canada can make an adjustment to the CRA rate for mileage to account for the current costs. This will ease the pain for the RSMCs and many others who work in industries where the CRA rate is a factor.

On May 18, CUPW sent a letter to Finance Minister Chrystia Freeland requesting the government to raise the rate of the Canadian Revenue Agency on an emergency basis to reflect the rising cost of fuel and other expenses.

Also in May, RSMCs in British Columbia created a petition urging the federal government to do just that and a NDP MP has sponsored it. It was one of the most-supported petitions of the parliamentary session – 4729 supporters signed. MP Lisa Marie Barron presented the petition in the House of Commons on June 20, and the government had until August 4 to respond. At the time of release of this bulletin we still have not received their response.

In July, off the strength of the parliamentary sponsored petition, CUPW launched an additional petition that is still active on our national website, urging members and allies to send letters to Members of Parliament demanding relief for RSMCs immediately. We encourage all members to sign the petition: <https://www.cupw.ca/en/campaigns-and-issues/rsmcs-and-high-gas-prices>

The momentum continues with actions across the country over the last week of July. Until RSMCs get relief, MPs won't get a relief from us!

On July 7th, 2022, CUPW put forth a proposal to the Corporation to help ease the burden on RSMCs. We asked CPC to include the estimated distance for the delivery of Personal Contact Items (PCI) for the calculation of the CRA rate. This proposal would have increased the amount of vehicle expense paid, without exceeding the CRA rate and maintaining this payment as non-taxable.

Canada Post rejected this proposal during a consultation meeting held July 27, 2022, stating the CRA rate was sufficient for fuel costs. CUPW reminded CPC that the CRA



rate is used to cover more than just fuel, but the Corporation re-stated their position that the CRA rate was sufficient.

RSMCs need help now but we must also plan to make sure RSMCs are shielded from these types of issues in the future. We have asked for corporate vehicles for RSMCs through bargaining for years, and each time CPC tells us it's too expensive to purchase that many vehicles. Yet they expect RSMCs to purchase a vehicle to meet their specifications!

We are at a crossroads. The Government and Canada Post have abandoned RSMCs.

We need relief from the soaring fuel costs now, not next year!

In solidarity,



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