Background on the Nova Scotia Civil Service Mileage Rates

New mileage rates come into effect each year on April 1st. In 2023 the mileage rates will be 12.84% higher than the 2022 rates.

How your Mileage Reimbursement Rates are Calculated

The Nova Scotia Civil Service Master Collective Agreement contains reimbursement provisions for use of privately owned vehicles on the Employer's business (<u>see Article 32</u> – <u>Travel Regulations</u>).

"The rates... will be adjusted annually (up or down) on April 1. This adjustment will be based on the annual average year over year percentage change in the Nova Scotia Private Transportation Index for the calendar year preceding the April 1 effective change date, as calculated by Statistics Canada. The calculation is based on the calendar year January to December change over January to December."

To summarize, your Employer adjusts your mileage reimbursement rates once a year. The adjustments, which are sent to NSGEU for verification and confirmation prior to implementation, are based on the averaged annual percentage change from one calendar year to the next.

How does Statistics Canada calculate adjustments?

Statistics Canada uses the PTI of the Consumer Price Index (CPI) to calculate annual percentage changes in the costs associated with operating a motor vehicle. The components used in calculating the PTI include the following costs:

- Purchase, leasing, and rental of passenger vehicles
- Gasoline
- Passenger vehicle parts, maintenance, and repairs
- Passenger vehicle insurance premiums
- Passenger vehicle registration fees
- Drivers' licences
- Parking fees

The costs associated with each of these components is analyzed and adjusted accordingly by Statistics Canada on a month-by-month basis to compute trends and changes in prices. This information is compiled and analyzed separately for each province and the adjustments reflect the percentage change based on local prices. To calculate your mileage reimbursement rates, we then average the month-by-month change to calculate an annual adjustment rate. Please see below for a

more detailed explanation.

Factors Influencing the Mileage Reimbursement Rate Increase from 2022 to 2023

The 2022 to 2023 PTI annual percentage 12-month rate change increased 12.84%. The change rate of 12.84 was obtained by averaging the monthly percentage change in PTI for each of the 12 months in 2022.

The previously established rates for 2022 were multiplied by 12.84% to calculate the 2023 rates. We encourage you to review the table below, which outlines the percentage change in PTI on a month-by-month and annual basis dating to 2018. This table reflects the month by month fluctuations in the PTI, and the resulting 12-month annual average percentage change, in the PTI costs dating back to 2018.

	Jan.	Feb.	Mar.	Apr.	May	June	July
2018	2.1%	4.3%	4.0%	4.5%	6.0%	6.2%	6.8%
2019	-1.0%	0.0%	3.2%	3.1%	2.6%	0.8%	1.8%
2020	4.9%	3.2%	-3.5%	-7.9%	-5.9%	-1.6%	-1.0%
2021	2.2%	4.3%	10.6%	14.5%	13.3%	10.9%	11.4%
2022	10.6%	11.5%	14.3%	13.9%	18.2%	20.8%	15.1%

	Aug.	Sept.	Oct.	Nov.	Dec.	% Change of Previous 12 Months
2018	5.8%	2.5%	5.2%	-0.2%	-0.9%	3.85%
2019	1.4%	1.2%	0.5%	4.2%	4.4%	1.85%
2020	-0.9%	-0.2%	-0.1%	-1.3%	0.2%	-1.17%
2021	12.3%	12.4%	13.4%	13.5%	10.6%	10.80%
2022	11.8%	8.8%	9.9%	10.9%	8.1%	12.84%

The 2023 mileage rates were calculated by applying the 12.84% to the previously established reimbursement rates.