



June 26, 2025

**Hello everyone,**

As you may be aware, we've come to the end of our current three-year rate framework. I'm pleased to let you know that we've approved a new, multi-year rate package. This package includes a commitment to an annual 2% labour rate increase in each of the next three years, providing greater financial predictability for your business.

In addition to the labour rate adjustment, to add to your overall compensation, we've introduced three new billable policies that will apply to your estimate when specific criteria are met. These policies are intended to enhance operational consistency, align with industry practices, and better reflect the realities of today's repair environment.

The new labour rates and new billable allowances for Commercial Collision Repair Program Participants will apply to:

- all repairs in progress with a vehicle-in date of April 1, 2025, or later
- new estimates written July 1, 2025, or later.

### **New multi-year rate framework**

The new labour rates for commercial collision program participants are as follows:

<b>Item</b>	<b>Current rate</b>	<b>New rate</b> (effective July 1, 2025)
Body	\$124.66	\$127.15
Paint (one and two stage)	\$124.66	\$127.15
Mechanical	\$137.19	\$139.93
Frame	\$137.19	\$139.93
Feather, Prime & Block (one-stage)	New	\$133.22
Feather, Prime & Block (two-stage)	New	\$142.58

A multi-year rate schedule provides you with consistency and allows you to better plan for future years.

The increase is designed to help address rising cost pressures faced by industry, while delivering on our commitment to keeping keep rates affordable for British Columbians.

### **New billable allowances that can be applied to an estimate**

Based on feedback from the Commercial Collision Repair Liaison committee and industry, we've also approved three new billable allowances that you can apply to an estimate when certain eligibility criteria are met.

The following items will be posted in the [ICBC MD Claims Procedures Manual](#) as of July 1. Please familiarize yourself with these procedures and the criteria required to collect the allowances.

**Feather, Prime and Block:** This labour operation brings the damaged repaired area from 150-grit smoothness to the condition of a new undamaged panel in preparation of the refinish operation.

Feather, Prime and Block can be applied on damaged major exterior panels and paid out at the Feather, Prime and Block labour rate in Mitchell Cloud Estimating (MCE). The Feather, Prime and Block labour calculation is based on 15% per repair labour hour on major exterior panels. This can be applied on the estimate utilizing the Template line FEATHER, PRIME & BLOCK in Mitchell Cloud Estimating (MCE).

**Safety Test Drives:** This policy outlines when a Commercial Collision Repair facility may be required to perform a safety test drive once a wheel alignment has been performed. The new policy considers vehicles that have sustained damage to the frame, suspension, and steering components. ICBC will compensate the repair facility 0.5 body labour hours to perform the safety test drive and is billable once per claim when all eligibility criteria are met. This can be applied on the estimate utilizing the template line SAFETY TEST DRIVE in MCE.

**Commercial Masking & Bagging:** A Commercial Collision Repair facility may be required to mask and bag a vehicle when a repair and/or replacement operation is performed that requires perimeter masking and bagging of adjacent undamaged panels exceeding 36 inches.

ICBC will compensate the repair facility 1.0 body labour hours to perform the Commercial Masking and Bagging of the vehicle when all eligibility criteria are met. This can be applied on the estimate utilizing the template line MASKING & BAGGING GREATER THAN 36 INCHES in MCE.

### Questions? We're here to help

If you have any questions, please don't hesitate to reach out to Jonathon Stewart or Kevin Walsh directly.

Thank you for your continued support to provide our mutual customers with quality services.

Sincerely,

**Kevin Walsh**

Manager, MD Programs Services