



June 1, 2022

Attn: Tow Suppliers

RE: Labour and storage rate increase for our towing partners

Hello everyone,

I'm pleased to announce we've providing our valued towing partners with a towing and storage rate plan for the next three years. We've also updated how we pay for subsequent tows. The revised rate payment schedule will be shared in the coming weeks.

The total compensation increase to the towing industry is 6.7% for the first year, effective July 1, 2022. No changes are planned for the second year, and an inflationary rate increase up to approximately 3% in the third year.

The rate increase will be based on the BC Consumer Price Index (CPI), minus 20% of the CPI, for a maximum labour rate increase of 3% (capped). We're also calculating the annual BC CPI based on a measurement period of May-April to capture increases to inflation in the months leading up to the July effective date.

We made the decision to calculate the rate this way in exchange for a multi-year increase. 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 keep rates affordable for British Columbians.

If you have any questions, please email us at towingprograms@icbc.com.

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

Sincerely,

Alden Li,
Director, Claims Customer and MD strategy

