

CAR ALLOWANCES

Car allowances are provided to employees because a car is either a business need (tool of trade), or due to seniority, status or just to be market competitive (benefit). Sometimes the allowance may be primarily for one purpose, but permitted for both. For example, a tool of trade vehicle may be permitted for private use. However, the categories are distinguished by the primary purpose.

This section relates to both benefit and tool of trade car allowances. Tool of trade is broken down into sales and non-sales car allowances.

BENEFIT CAR ALLOWANCES

Benefit car allowances are offered for an employee to purchase/lease a car, primarily to be used for private use. In many cases the employee can choose whether or not to take the allowance as cash or use it towards a car.

FIGURE 4.6 PROVISION OF BENEFIT CAR ALLOWANCES
% OF ORGANISATIONS



FIGURE 4.7 PROVISION OF FUEL CARD WITH BENEFIT CAR ALLOWANCE
% OF ORGANISATIONS

