



Trip Splitting

Background

It has come to the attention of the Office of the BC Container Trucking Commissioner (the "OBCCTC") that some TLS licence holders are engaging in the practice of trip splitting.

Trip splitting occurs when a movement between the starting point of container trucking services and the end point of container trucking services is split between one or more truckers and remuneration payable under the *Container Trucking Regulation* (the "Regulation") for a single trip is split between the truckers.

Industry has questioned whether this practice complies with the *Container Trucking Act* (the "Act") and the Regulation.

Interpretation

"Trip" is defined in Section 1.1 of the Regulation:

"trip", in relation to container trucking services, means an off-dock trip or an on-dock trip."

An "on-dock trip" is defined as, "one movement of one or more containers by a trucker from a marine terminal to a location in the Lower Mainland, or a location in the Lower Mainland to a marine terminal." An "off-dock trip" is defined as "one movement of one or more containers by a trucker from one facility in the Lower Mainland to a different facility in the Lower Mainland."

The Regulation establishes minimum rates which must be paid to truckers who provide specified container trucking services. The minimum "per trip" rates established by the Regulation must be paid for every "trip".

A container movement between its starting point and an intermediary point within the Lower Mainland is a "trip" and therefore the established minimum "per trip" rate applies to this movement. A further movement of the same container(s) from the intermediary point to its end point within the Lower Mainland is a separate "trip" and as such also requires payment of the minimum "per trip" rate. Put simply, under the Regulation, each movement is treated as a separate trip and consequently each movement requires payment of the minimum "per trip" rate.

Section 23(2) of the Act states that "[a] licensee who employs or retains a trucker to provide container trucking services must pay the trucker a rate and a fuel surcharge that is not less than the rate and fuel surcharge established under section 22 for those container trucking services."

The OBCCTC considers the practice of trip splitting to be a contravention of the Act and the Regulations. The OBCCTC has instructed its auditors to investigate instances of trip splitting.



OFFICE OF THE
BRITISH COLUMBIA CONTAINER
TRUCKING COMMISSIONER

A determination of such a contravention could result in a penalty, fine or any orders the Commissioner may impose as per Sections 9, 34 and 35 of the Act.

Sincerely,

Duncan MacPhail
BC Container Trucking Commissioner

Michael Crawford
BC Container Trucking Deputy Commissioner