



February 3, 2020

Increase to the I/O Hourly Rate

On November 22 2019, the Office of the BC Container Trucking Commissioner (“OBCCTC”) announced its intention to implement the first phased increase to the base independent operator (“I/O”) hourly rate effective April 1, 2020.

This bulletin advises all stakeholders that effective April 1, 2020, the I/O Hourly Rate will be \$57.71 per hour if an I/O has performed less than, and \$59.03 per hour if an I/O has performed more than (or equal to), 2340 collective hours of container trucking services for any licensee or licensees (hourly rates are inclusive of benefits and exclusive of the fuel surcharge which is calculated monthly and added to the hourly rate).

Background

The Commissioner’s 2018 *Container Trucking Regulation Part 4 (Rates and Remuneration) Recommendation Report* recommended a phased increase to the hourly rate for I/Os noting that “a large one-time increase in the hourly rate for I/Os...would have a substantial impact on hourly rate I/Os, the companies which sponsor them and the shippers that use those companies’ services.” Detailed analysis in the report indicated that the I/O hourly rate should ultimately be set at approximately \$70.00 per hour (inclusive of benefits).

OBCCTC consultations conducted in the fall of 2019 canvassed the issue of a phased increase to the hourly I/O rate. Stakeholder opinions with respect to the base rate varied but there was general consensus that the increases should be phased and that the amount of each increase should reflect the need to keep pace with other rate increases and were needed because of the historically low base rate. Therefore, the OBCCTC has determined that an initial increase of 10% to the I/O hourly rate is appropriate.

Sincerely,

OFFICE OF THE BC CONTAINER TRUCKING COMMISSIONER

Michael Crawford
Commissioner

Sheryl Kozyniak
Deputy Commissioner