



February 26, 2020

The Office of the BC Container Trucking Commissioner  
1085 Cambia Street  
Vancouver, British Columbia V6B 5L7

RE: CTS Licence Reform Submission – (CTS Licence Reform: 2020 Licence Application Process & Tag Management Policy)

To the attention of the B.C. Container Trucking Commissioner:

Mr. Crawford,

KD Truckline is pleased to provide a submission regarding the proposed changes to the upcoming license renewals. The purposed changes to the license regarding the “minimum trucks required” is not a change that we would support.

Although the purposed changes would not directly affect us, (in fact, the change would seem to complement our business) our understanding is that current companies operating with less than the **purposed** minimum trucks required would essentially be inadvertently placed out of business.

After reviewing the purposed changes, it is not clear to us as to why changes of this magnitude are being considered. I suppose our position could potentially change if that information became available to us.

We have a clear and accurate understanding that **ALL** of the smaller companies are comprised of strictly company owned trucks as opposed to larger companies that employ with a majority of owner operators. Having said that, we understand firsthand, the investment that these companies have made over the years, not to mention the time and sacrifices that they and their families have spent making their small businesses thrive.

These thriving small businesses that could potentially be affected are family owned and I am sure that if their licenses were not renewed due to an inconsequential fleet adjustment, they and their families would be devastated both monetarily and spiritually.



669 DERWENT WAY  
DELTA, BC  
V3M 5P7

PHONE 604-521-9315  
FAX 604-521-9307  
EMAIL [ADMIN@KIMBERLYTRANSPORT.COM](mailto:ADMIN@KIMBERLYTRANSPORT.COM)  
WEBSITE [www.kimberlytransport.com](http://www.kimberlytransport.com)

For example, It would be inconceivable to any Canadian, if Government approached a merchant that was currently operating and has operated for a number of years in the downtown core, and forced them to close their doors because the shops footprint is not large enough to satisfy the Government's minimum requirements. We fail to understand how the purposed policy change would be any different than the aforementioned.

**Small businesses are something that should be treasured and encouraged by Government, not something that should be stifled by a policy that would not sit well with any Canadian.**

We would support that any new applications would be subject to the new proposed licensing requirements, simply because it's a change that may have merit in certain circumstances and existing companies and their staff would not be placed out of business and or out of work for no fault other than regulatory changes.

To be clear, we do not support any changes to the TLS license system that would inadvertently place existing TLS holders out of business, unless the company has a record of gross misconduct in terms of system circumvention.

**Policy suggestions:**

We strongly suggest that a prerequisite to obtaining a license (inclusive of a granted 120 day implementation period) would be that ALL companies (small or large) operate with a trucking computer software dispatch program that not only tracks all of the containers dispatched to drivers, locations of the deliveries, dates and sequence of deliveries, the program would track all payables associated with each container move.

During OBCCTC spot audits, information that the system provides could easily be corroborated with the Vancouver Fraser Port Authority GPS, should the question of driver pay be challenged.

The gathering of the information required by the OBCCTC auditors would not only be quick and easy; it would relieve the tremendous burden of having to supply spreadsheets with supplemental back up i.e. driver manifests or easy to plagiarize logbooks (that we have witnessed in other companies previous audits) in the event of an audit.

The implementation of this requirement would not only serve as a transparent seamless vehicle of communication when audits occur, it would (I believe) give the Commissioner the confidence that the information supplied by companies, is accurate and not falsified or misrepresented in any way.

There are a handful of programs available that are specifically tailored to the drayage industry. The adoption of this idea and what programs would be acceptable to the Commissioner would have to be discussed and agreed upon by stakeholders with further meaningful consultation within the drayage industry.

The idea would be that there would only a handful of programs that would meet the test of the Commissioner and with that, the auditors could easily be trained to understand what information the system is capable of providing and how to extract it.

The information that a legitimate container trucking software dispatch system could provide, would be invaluable to both the trucking company and to the OBCCTC.

**Driver complaint allotted time frames:**

Drivers have continually been short paid over the years and the practice of short paying drivers is directly linked to rate cutting. It is our belief that drivers (both owner operator and company) should only be granted a 90-day time frame to report any misconduct to the employer and to the OBCCTC.

The onus should be placed on the driver to report any misconduct within a specified time to ensure that companies or drivers that are attempting to circumvent the system for extended periods of time are not inadvertently allowed to do so.

With the implementation of dispatch software, drivers will clearly understand the amount that they have been paid, and what they have been paid for. There should be no reason as to why the drivers could not report (with the clear information provided to them) within a reasonable time frame.

The only logical reason, is either they are part of the problem (indirectly rate cutting) or they are fully aware that at some point in time the company could potentially be audited and with that, they are sure to collect a windfall due to the assurance of payment with the force of the bond that companies are required to maintain. Both reasons should not be condoned or encouraged as they are both a direct contributor to the erosion of companies that are compliant, operating honestly and with integrity, as well as withing the guidelines set forth by the OBCCTC.

We all understand that some companies will take the risk of being audited and opt to short pay drivers. Monetary penalties that the companies have faced in the past after the fact, does not and will never address the irreversible damage that other companies that are paying the regulated rates incur.

A simple explanation: Rogue company charges less to shippers, pays less to drivers, no complaints filed to the Commissioners office for an extended period of time, compliant good standing companies lose business as a direct result and ultimately go out of business.

Companies are continually struggling to secure business at margins that would support the payment of regulated rates to drivers and all the other variable costs associated with operating with a TLS license. This would include the minimum \$35,000.00 and \$4000.00 bond fee that that is paid annually by the trucking companies for the privilege of being a TLS license holder.

The reason for struggles noted above, is in direct relation to companies that must compete with other TLS holders that are and have been consistently short paying drivers.

We believe that if positive changes are made to the OBCCTC policy, it will immediately limit companies from systematically undercutting rates for a prolong period of time.

This practice has proven to diminish the integrity of what the OBCCTC presumably stands for and has been attempting to achieve since its inception, post major labor disruptions.

**OBCCTC fitness to date:**

It is our opinion that over the years with the consistent oversight in terms of payroll audits, open dialogue, intervention and the cancellation of licenses due to severe misconduct, the OBCCTC has in our opinion, not only fulfilled the mandate bestowed upon them by the B.C. Government, but maintains it with clear communication and strict enforcement.

Thank you for the opportunity to be able engage with the OBCCTC with respect to the new ***purposed*** licensing changes. I hope that our opinions and thoughts are received with a clear understanding that the information provided, was purely provided with good intentions and in full support of a progressive OBCCTC.

Regards

Tom Johnson  
KD Truckline Ltd