



Industry Advisory Committee (IAC)

Notes of Discussion

Tuesday, December 6th, 2016

9:00 am to 10:30 am

**North Delta Recreation Centre
11415 84th Avenue, Delta, BC**

In Attendance:

John Bourbonniere	Harbour Link Container Services
Rex D'Souza	Prudential (arrived at 9:01am)
Marco Dekovic	GCT Terminals (Alternate) (arrived at 9:04am)
Sharn Gill	HAP Enterprises Ltd.
Paul Johal	Unifor (Alternate)
Chris Locher	Locher Evers International
Matthew May	Pro West (BST Transportation)
Robert Meredith	Canadian Tire
Greg Rogge	Port Metro Vancouver
Larry Sargeant	Teamsters
Adrian Samuel	Coast 2000
Gagan Singh	United Truckers Association (arrived at 9:08am)
Duncan MacPhail	OBCCTC; Chair
Michael Crawford	OBCCTC; Vice Chair
Karm Jauhal	OBCCTC

Regrets:

Kellie Kopeck	Damco Distribution
Dave Lucas	Coast 2000
Gavin McGarrigle	Unifor
Maksim Mihic	DP World
Robert Neild	Loblaw
Mark Thomson	West Fraser Forest Products
Eric Waltz	GCT Terminals

The meeting was called to order at 9:00 am

1. Commissioner's Update

The meeting was moved to 9AM to accommodate the driving conditions due to the weather. Overall consensus was that 9am start time works better for the Committee, therefore it was decided that future meetings will start at 9am.

The Commissioner provided a brief update:

- a. Welcome a new IAC Committee member:
 - The Commissioner opened the meeting by welcoming Sharn Gill to the IAC Committee. HAP Enterprises is a Licence Holder that exclusively employs company drivers and we look forward to HAP representing the perspective of company driver companies.
- b. BC Drayage Association
 - The OBCCTC has had recent communications with the BCDA as the association continues to seek an invitation to sit on the IAC. The OBCCTC has made it clear that the BCDA is welcome as long as they can meet the criteria set forth and demonstrate that its representatives speak for its membership. The criteria is: evidence of continued membership, authorization to speak on members behalf, association constitution or bylaws and evidence of membership meetings, past and future. The BCDA purports to represent a section of the TLS Sector. We have received minutes from their last meeting and membership list. Mr. D'Souza advised that he is no longer a member of the BCDA as his does not agree with the views of the BCDA. Mr. May also advised that he is no longer a director of the Association.
- c. Alternate Representatives
 - Alternate representatives are welcome to attend when a Primary IAC member is not able to. The Alt must come prepared to participate in the meetings as the Primary would. Please let the Registrar (Karm) know who your Alternate is.

ACTION ITEM: Industry Advisory Committee members to provide the Registrar with a name and contact information of the Alternate to be appointed to the Committee and attend in the absence of the Primary member if not already done so.

2. Hybrid Methods of Payment

The Commissioner advised that the office has received queries from licence holders asking if they are able to pay their drivers hourly for some work and trip rates for other work. Some contend that it is difficult to attract new customers and work if their rivers are paid one way but the customer wants to pay another way.

To date, queries have been directed to Appendix A to Schedule 1(g) of the CTS Licence which states that: "a licensee must not pay truckers by a method of compensation that is a hybrid of per trip and hourly." This prohibition flows from the Corinn Bell and Vince Ready report:

"an important aspect of the Joint Action Plan, and one that we support, is that trucking companies be prohibited from moving drivers from an hourly model to a trip rate model, depending on the day and/or circumstances. We feel that it is important that drivers know whether they are employed with a company on a trip rate basis or an hourly rate basis and that such is clearly defined by the company at the outset of the relationship. We recommend that a prohibition respecting employing hybrid hourly/trip rate drivers remain an important feature of the sector going forward."

The following points were raised:

- Customers have the ability to book their own reservations and trucks, for driver utilization
- Canadian Tire prefers to pay by the hour and makes their own reservations using only hourly drivers
- Teamster's drivers prefer to get paid by the hour, regardless of who they are working for
- If drivers get paid, one day by the hour and the next day by the trip, this is when the games will start and drivers could be left holding/ taking the losses
- A member mentioned that if drivers are paid by the trip, they will likely sit at home and that's not good for business or the drivers.
- A member mentioned that is can be dual pay system, if the can came in by the hour, it should go out by the hour.
- Another member mentioned that drivers are not getting paid for wait times.
- Truckers are getting pay \$XX trip rate and hourly rate the end of each trip (loading and unloading)
- A member mentioned that there should be no flip flopping, should be one pay structure and then everyone is on the same playing field. This would allow for companies to bid and there would be no undercutting
- A member advised that if a company wants to pay a particular way, they could have designated trucks for work that company needs done, whether it's for a four hour block or more. But another member mentioned that this could lead to rate games (cheating the systems)
- If there is a hybrid, it could be by the pay cycle, so one pay cycle, the driver works hourly and another cycle, he could be getting by the rate
- The other option for a hybrid is companies can identify the customer and the method they wish to pay, then every time that customer has work, the dispatched folks, they get paid in the method predetermined by the customer. Customers will always want the cheapest rate possible.
- If this happens, then customers could be playing against each other, which could take us down a slippery slope.
- A member mentioned that if drivers are getting hourly, a dispatcher will try to do double-ended to make sure they are most efficient, instead of dispatching willy nilly and this will keep them busy.
- Paying with mixed methods (hourly and trip) could make auditing time consuming.
- This hybrid model would only be for I/O's
- A Committee member reminded the committee that we can't go back to the way things were before the legislation came into place, because that's where we had drivers sitting at terminals for hours, that lead to protest that they were not getting paid properly and a reminder that if they are paid by the trip, and are sitting somewhere in Metro Vancouver, they are not getting paid
- Customers and companies are complaining about the reservation system and all the issues they are facing at the terminals
- Should be looking at fixing the system of too many trucks, not the pay structure, we need to fix the reservations systems and the terminals are taking advantage of it, it's become a cash grab (how can you have 2 reservations for the same time?)
- How can you have a reservation appointment for 7am when the gates don't open till 7:30am, and then you get charged a late fee? How is this possible
- Waiting times are not being paid

- The Deputy Commissioner mentioned that these are two different conversations and we need to have both, but separately
- Create a density/ model to move empties between yards close to each other, this will let us use our trucks smarter
- A member mentioned that we need to figure out the definition of hybrid first before moving on

The Deputy Commissioner noted that the discussion should continue and that no changes to the current prohibition will be made unless there is consensus across the industry to do so.

3. Open Top Containers and Flat Racks Discussion

The Office will be issuing a bulletin that for the purpose of the *Container Trucking Act*; the definition of a container in the Regulations does not include open top containers and flat racks. The previous commissioner said that an open top container is not a container as per the Regulations. I have considered the same views and this is no longer open for discussion.

4. Next Meeting – Date and Time

Next meeting TBD

Meeting adjourned at 10:31 am