



OFFICE OF THE
BRITISH COLUMBIA CONTAINER
TRUCKING COMMISSIONER



Annual Report 2019/2020

Prepared and submitted in accordance with
Section 13 of the Container Trucking Act
of the Province of British Columbia



**OFFICE OF THE BRITISH COLUMBIA CONTAINER
TRUCKING COMMISSIONER**

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August 31, 2020



OFFICE OF THE
BRITISH COLUMBIA CONTAINER
TRUCKING COMMISSIONER

To the Minister of Transportation and Infrastructure

Vancouver, BC

August 31, 2020

The Honourable Minister Trevena:

**Office of the BC Container Trucking Commissioner Annual Report
For the Fiscal Year Ending March 31, 2020**

I am pleased to submit to you the Office of the BC Container Trucking Commissioner's Annual Report for the fiscal year ending March 31, 2020. The Annual Report identifies all audit, licencing and engagement activity undertaken by the Commissioner under the *Container Trucking Act* as well as the Office's financial statements for fiscal year 2019/20.

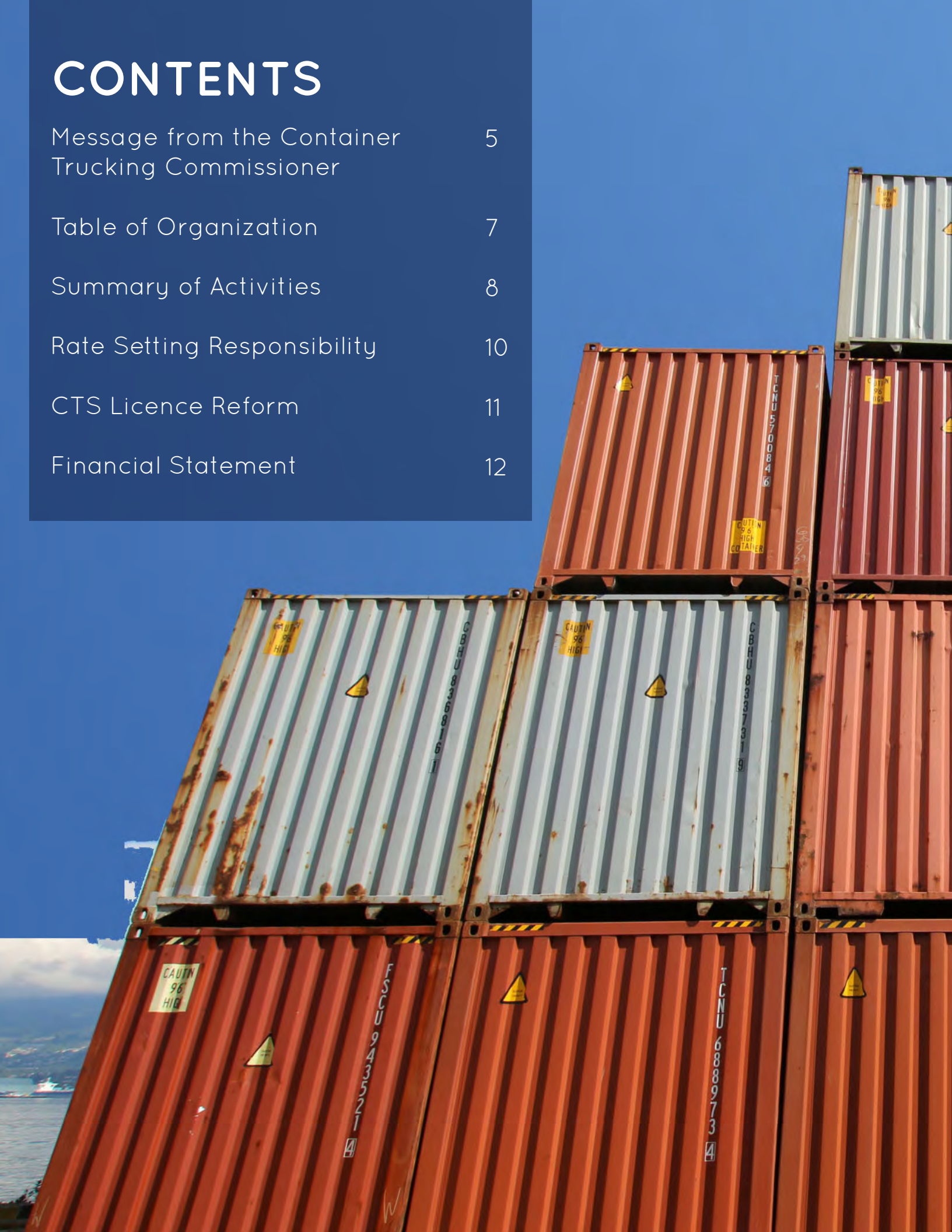
Yours Truly,

Michael Crawford

BC Container Trucking Commissioner

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Message from the Container Trucking Commissioner

The Office of the BC Container Trucking Commissioner (OBCCTC) had an active and productive Fiscal 2019/20 (April 1, 2019 to March 31, 2020) as it continued to fulfill its mandate to administer and enforce the *Container Trucking Act* (the *Act*), *Container Trucking Regulation* (the *Regulation*) and Container Trucking Services Licence (the Licence) in order to stabilize the Lower Mainland container trucking industry.

This year, the OBCCTC completed 18 audits, issued 23 decisions and 1 order all culminating in \$3.57M paid to truckers since 2015.

Rate setting became the responsibility of the Commissioner this year. The Rate Order of the Container Trucking Commissioner came into effect on July 1, 2019, which set the minimum rates that must be paid by Licence holders. The OBCCTC implemented four subsequent changes to the rates which included the introduction of the Positioning Movement Rate, amendments to the fuel surcharge formula, phased increases to the hourly rate and new zone definitions with new trip zone rates.

To prepare for the 2020 Container Trucking Services Licence, the OBCCTC consulted with stakeholders from November 2019 through February 2020 concerning proposed changes to the Licence application process and the Truck Tag Management Policy. A final consultation report summarizing what we heard was published in February 2020. The reform measures encourage greater regulatory compliance, promote the efficiency, effectiveness and competitiveness of the Lower Mainland drayage sector and assist in facilitating the professionalization of the industry through reinforcement of ethical business practices, accurate record keeping processes and payroll systems. However, the licencing process came to a halt amidst the COVID-19 pandemic, and the term of the 2018 licence was extended to November 30, 2020.

Industry communications continues to be an important aspect of the OBCCTC's relationship management with members of the drayage industry. A Communications Officer was hired in February 2020 to manage and improve the OBCCTC's communications channels. A newsletter summarizing office activities is published quarterly, while monthly updates are emailed to all stakeholders, including Independent Operators. The office received over 2,520 phone calls from drivers this fiscal year and continues to focus on direct engagement with drivers in order to meet its goal of increasing driver knowledge of OBCCTC activities and the regulatory regime. I expect further growth and improvements to our communication networks in the upcoming year.

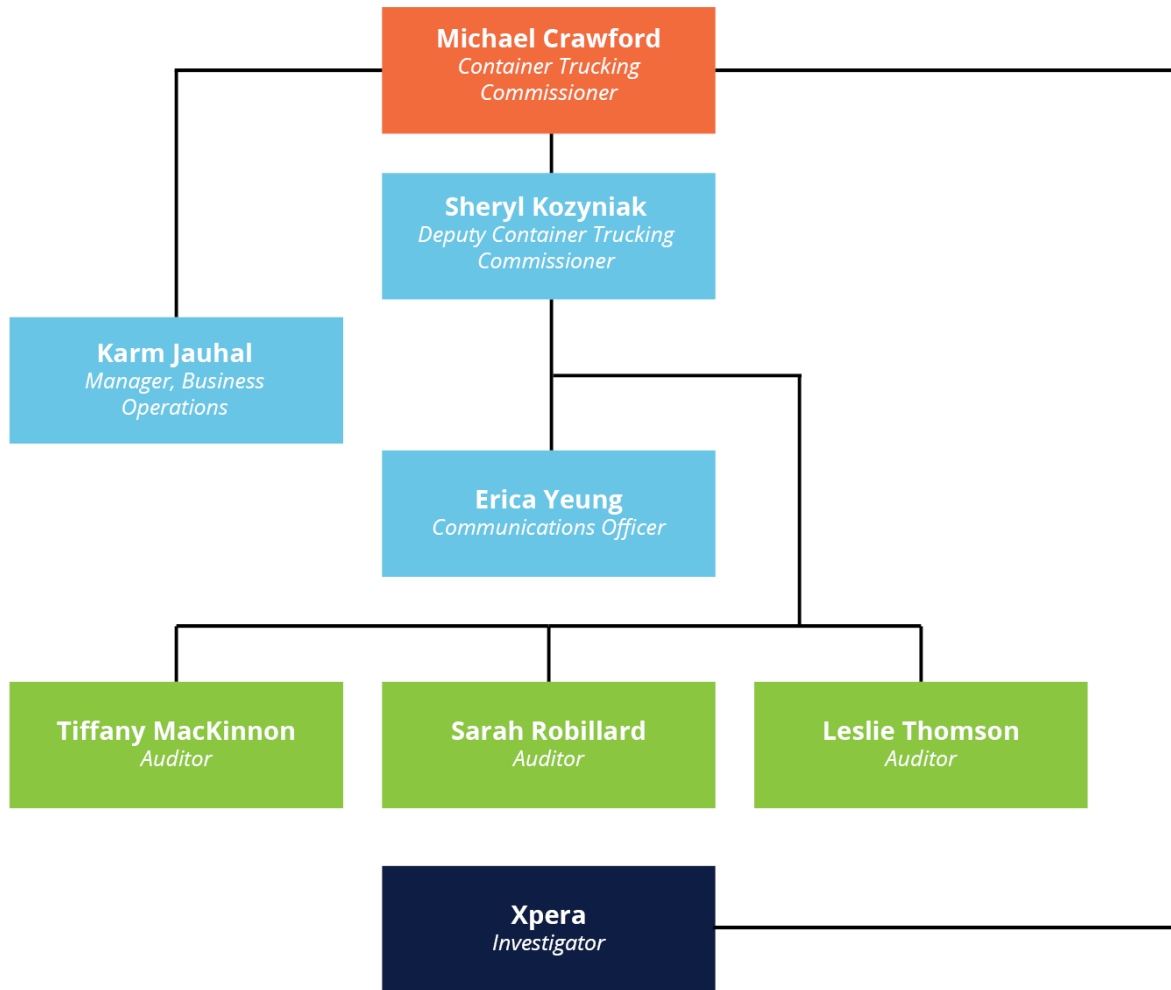
The OBCCTC is committed to practice, procedure and policy development as well as enforcement that assists in advancing the drayage sector towards greater compliance,

fairness and stability. With the revamped 2020 Container Trucking Services Licence, I expect greater industry compliance and enforcement of the *Act* in the coming years.

Michael Crawford
BC Container Trucking Commissioner

Table of Organization

(as of March 31, 2020)



Summary of Activities

During the fiscal year 2019/20, the OBCCTC focused on:

- Rate setting responsibilities;
- Stakeholder consultation regarding licence reforms and amendments to truck tag policy;
- Development of the 2020 CTS Licence application process;
- Ongoing licence administration; and
- Implementation of an enhanced OBCCTC audit/investigation program.

For the fiscal year 2019/20, the summary of OBCCTC activities is outlined below:

TABLE 1: Compliance and Enforcement Activity	
Drayage Confidence Line Reports Received¹	47
Complaints Other²	19
Audits Commenced	34
Audits Completed	18
Published Decisions	11
Orders	1
Penalties Issued	10
Sum of Penalties Issued	\$267,820.87
Licences Cancelled	4
Reconsiderations	3

TABLE 2: Industry Advisory Committee Meetings	
May 28, 2019	
September 25, 2019	
December 3, 2019	
March 10, 2020	

¹ Complaints received do not always fall within the scope of the Container Trucking Commissioner's jurisdiction

² Remuneration complaints received by phone or written correspondence

Bulletins

Name	Date
Off-dock regulations & tag management policy review	May 7, 2019
Rate increases in effect June 1, 2019	May 22, 2019
Wait time notification	June 14, 2019
Payment for training	June 18, 2019
Regulatory changes – Rate order of Commissioner	June 25, 2019
Positioning movement rate	July 18, 2019
CTS licence tag management policy – I/O list – Request for applications	July 29, 2019
CTS licence tag management policy	September 30, 2019
Wait time payment notification	October 11, 2019
OBCCTC driver information sessions	November 8, 2019
OBCCTC call for submissions – 2020 CTS licence & truck tag system consultation	November 12, 2019
Open top and flat rack containers attract CTC rates	November 22, 2019
Recommendations from Commissioner’s 2018 rate report	November 22, 2019
CTS licence tag management policy	November 27, 2019
Reminder – January 1, 2020 fuel surcharge formula	December 18, 2019
Wait time payment notification	December 19, 2019
Increase to the I/O hourly rate	February 3, 2020
OBCCTC stakeholder consultation sessions	February 4, 2020
New trucking zones map	February 27, 2020
Wait time payment notification	March 3, 2020
CTS licence reform – Consultation report issued	March 5, 2020
Container Trucking Services Licence 2020	March 18, 2020
Rate order of Commissioner – Updated	March 31, 2020

Outreach

In addition to regular Industry Advisory Committee meetings and bulletins, the OBCCTC publishes a quarterly newsletter intended to provide industry stakeholders with updated information regarding OBCCTC policy and audit/enforcement activities. Monthly Updates are also emailed, which summarize the office’s activities from the previous month. The update is issued to all interested stakeholders, including drivers, through an email distribution list.

The OBCCTC website serves as the OBCCTC’s primary communication portal and updates are ongoing to the website. OBCCTC communications continue to be issued in English and Punjabi as required, with both versions posted on the website: <http://obcctc.ca>

Rate Setting Responsibility

In July 2019, the Government of British Columbia repealed the rates and remuneration provisions of the *Regulation*, and gave authority to the Container Trucking Commissioner to set rate and fuel surcharges. This was done to help maintain stability, fairness and competitiveness in the drayage sector.

Rate Order of Commissioner

The Rate Order of the Container Trucking Commissioner came into effect on July 1, 2019. The Order set the minimum rates that must be paid by all CTS Licence holders.

The following rate changes were implemented:

Positioning Movement Rate

The commissioner introduced a \$25 Positioning Movement Rate that was added to all on or off-dock trip rate payments in order to compensate drivers for previously unpaid positioning moves.

Fuel Surcharge

The fuel surcharge formula was amended to account for an average monthly calculation of diesel prices in Vancouver, BC. The fuel surcharge is posted each month on the OBCCTC website.

Increase to Hourly Rate

Phased increases to the base hourly rate for Independent Operators was implemented, with the first initial increase of 10% set to occur on April 1, 2020.

Trip Rate Zones

The zone definitions were amended, and new corresponding zone rates. Long distance trip rates are also set to be increased. Booklets containing the new trip rates were made available to drivers and is also available on the OBCCTC website. These changes are set to be effective on April 1, 2020.

Rate Zone Map

An interactive online Rate Zone Map was built and shows the new rate zones across the Lower Mainland along with designated trip rates for each zone. Users can search for an address to find corresponding trip rates. The map can be accessed through the OBCCTC website.

CTS Licence Reform

The OBCCTC proposed a series of licence reforms to encourage greater regulatory compliance, promote the efficiency, effectiveness and competitiveness of the Lower Mainland drayage sector and facilitate the professionalization of the industry through reinforcement of ethical business practices, accurate record keeping processes and payroll systems.

On September 25, 2019, the OBCCTC began consulting with stakeholders concerning proposed changes to the current Licence and application process. The proposed reform measures were published on November 12, 2019 in a consultation paper. A supplemental consultation paper was published on February 11, 2020 to introduce new proposals and expand upon previous recommendations.

Stakeholders provided feedback in response to the proposals through written submissions, Industry Advisory Committee meetings, focus groups and consultation sessions which concluded on February 28, 2020. A final consultation report summarizing responses heard from stakeholders was published on March 5, 2020.

Licence reforms:

- The current 5 truck minimum licence criteria remains.
- Joint licence applications to not be accepted; however, 2018 CTS Licence joint licensees are permitted to apply for a single licence even if their fleet size is less than 5 trucks, provided they satisfy all remaining mandatory licensing requirements.
- The target range for number of truck tags issued is 1450-1550.
- Licences to be issued on a 2-year term.
- New applicants can apply for a licence but will only be considered after existing licensee applications are reviewed and if there are remaining truck tags.
- Allocation of company and independent operator (I/O) truck tags for existing licensees to be determined by assessing an applicant's business case, compliance history and fleet efficiency data. For new applicants, only the business case to be assessed.

Financial Statement

SUMMARY FINANCIAL STATEMENT	
BC Container Trucking Commissioner	
	(in \$Thousands)
	FY2020
	Actual
Total Revenues	991
Audit and Compliance	474
Licensing Administration	168
Industry Communications	20
Operations	320
Total Expenditures	982
Total Surplus	9



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