





October 15, 2020

Mr. Michael Crawford
Office of the British Columbia
Container Trucking Commissioner
1085 Cambie St
Vancouver BC V6B 5L7

(via email)

Dear Mr. Crawford:

Feedback re: Off-Dock Insights Report

Thank you for your letter of September 23, 2020, requesting our feedback on the above noted report, with a specific focus on three questions.

BCTA's core position with respect to regulation is one of minimalism. Only regulation that is necessary to ensure the safe, effective movement of goods should be established. Regulation that exists must be evenly enforced, and consequences consistently applied to offenders.

1) What Container Movements should be regulated?

Stakeholders have consistently identified off-dock moves as an issue of pressing concern. This is not a new issue but in our current environment where container volumes are declining and costs escalating, the ambiguous nature of the existing regulation coupled with the impact of recent decisions made in isolation has exacerbated an already difficult situation.

The ambiguity in the legislation must be resolved by direction from your office. If you believe the current legal framework provides you with the authority to regulate off dock moves, state so clearly on licenses and enforce the provisions consistently. If not, state so unequivocally and consistently step away from enforcement in this area.

2) What rates should apply to those container movements?

All parties in the sector have adapted to the recent changes made by both government and the Commissioner's office. We have seen the impact; the playing field is not even. The recent decision to add a repositioning fee to container moves has had a disruptive effect in the sector, creating unintended consequences and uneven impacts. Rather than once again responding to an issue





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in isolation, we suggest a thoughtful approach with an immediate, thorough examination of the issues and the identification of solutions is required.

This approach would require an examination of all aspects of off-dock moves. Currently, there is no incentive for a customer to be flexible as the scheduled rates are immutable and provide no flexibility to the carrier to create efficiencies, nor to the driver for more efficient use of their time. The status quo does nothing to advance the interests of the sector, but changes must be well researched and must not be contemplated in isolation.

3) Options for enforcement.

In the near term, we ask that the existing licensing process continue and prior to presenting the licenses for execution, a section be added to that licensees are required to only utilize tagged trucks for all off-dock and on dock moves and compensate in accordance with the license. This addition should also be prominent (**bold print**) in the renewal notification and reiterate that failure to comply with the License as prescribed may result in enforcement actions available up to and including License cancelation.

We also ask that immediate action be taken by your office to increase enforcement by observing container movements within the jurisdiction of the license (eg. At the entrance/exits to known off-dock facilities.) These persons would observe and note details of any truck entering the facility without a valid TLS decal (a requirement of all License Holders) and provide this information to the commissioner for immediate follow up in an effort to identify violation of the license that would subsequently lead to the appropriate penalties by the Commissioner'.

We recognize that even this approach will not capture all off-dock moves but will validate the extent of the disruptive practice operating in the ambiguity of the Act and Regulations as written. Without staff verification in the field, we believe it will not be possible to understand the scope of the activity.

In the longer term, we call on your government to engage with <u>all</u> parties to examine and *cohesively* address the underlying factors that are driving the instability in the drayage sector. The imbalance of rates between off-dock scheduled rates and rates available in the broader transportation community has created the motivation to operate outside the regulation. The rapid and repeated increases to rates at different intervals have also created unintended inequities between hourly and trip rated operations.

We have all observed that while well intended, discrete decisions have further exacerbated the situation and not alleviated friction points.

All parties would prefer that trucks are moving with containers as much as possible throughout the day. For a variety of complex reasons, this is simply not occurring. The drayage inefficiency is



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perhaps best exemplified by the recent significant expenditure to create a "staging area" for trucks to wait to access terminals, rather than ensuring a more efficient system that allows carriers to dispatch their drivers to move fluidly throughout the day without delay. As other sectors of our industry have shown, certainty and efficiency create stability.

These are complex issues with many moving parts and many parties involved. Solutions will take thoughtful analysis to develop and courage to implement.

We look forward to working with your office in both the short and long term.

Sincerely,

Dave Earle

President and CEO

BC Trucking Association