

Attn: Mr. Michael Crawford Office of the British Columbia Container Trucking Commissioner 1085 Cambie Street Vancouver, BC V6B 5L7

October 27, 2020

RE: Off Dock Regulation

Dear Mr. Crawford,

The PTA would like to thank you for the opportunity to express our thoughts and concerns around the regulation Off-Dock in British Columbia. It is our belief that while the consultation process has brought forth some good points, some of the main concerns were not vocalized, or not vocalized in a manner in which their urgency was fully captured within the final report.

For clarity and to ensure our points are not missed, we will be presenting them in point form for your consideration.

- The industry was never meant to be regulated in such a manner to the point of government bodies controlling all wages, who and who cannot have access to container work, what type of worker is permitted to work, I/O or company driver.
- The Cascades report notes companies bringing on Company trucks and relegating I/Os 'long loop' to terminals during their peak busy times. We would like to note that most I/O's have set working hour preferences and therefore must be dispatched accordingly. Companies tend to take on additional company trucks, not to push out I/O's, but to increase flexibility as company trucks can work multiple shifts.
- The claim that I/O's are only accomplishing the Terminal pick up is false, simply because it would not make financial sense to use a company truck to complete a partial leg as company

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drivers are paid well above the Provincial medium and the costs would simply outweigh the benefits.

- We want to be clear that the vast majority of container truck drivers are happy with the current situation and are fulfilled with the work that they receive on a monthly average.
- There is a small percentile (the lowest in terms of seniority) that are happy to raise issues such as off dock work in an attempt to boost their monthly income by believing that they will capture work of other companies.
- We need to ensure that we are not engaging in something that will never be and ideal situation for this industry or any industry, the situation that some I/O's are in (not company drivers) is that they are at the bottom of a seniority list and have to pay their dues in terms of time spent at a company.
- We cannot fool ourselves into believing that closing off-dock trucks is the remedy here, the
  port volumes are volatile at the best of times and that is why it is extremely important to leave the
  off-docks as they are so that companies can adapt when peak periods arise and retract when slow
  periods arise.
- Some companies and warehouses (non TLS) choose to pick up their own containers to load with either owned chassis or rental chassis and have TLS companies deliver them to the Terminals; why should these companies have that work stripped from them.
- The Cascades Report notes the requirement of a "pressure relief valve" during peak periods, as well as the fact that Marine Terminals have been able to pass the costs of their own inefficiency along to trucking companies through fees and penalties. The PTA has stressed the effects of terminal inefficiency multiple times and the fact it is crippling the small to mid range drayage companies. It is our belief that off-dock regulation cannot occur without first addressing the problems within the VFPA terminals or it risks mass service failures within the industry.
- Should the Commissioner feel that the government should take on this massive administrative task of closing off-docks, the Commissioner must give each company (TLS and non TLS) the opportunity to tag up enough trucks so that they may be able to service their customers as they currently do. As is, companies face overregulation in regard to tag allotment, resulting in limiting growth amongst the small to mid range drayage companies.

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- We believe that the objective for some of the O/I's **and companies** that are in favor of this change, believe that they will capture work from other TLS companies because they already have too many tags and those tags are standing by waiting for a change like this to take place.
- The PTA will not stand idly by while changes are made that if not exercised properly, will be detrimental to our members businesses.
- This is a massive undertaking and there are several TLS and non TLS companies that will be affected. We must also question whether the introduction of regulation will result in a restriction of competition by TLS companies as they are bound by more acts and regulations, ultimately resulting in a loss of business.
- We need to note that not all container business is Port related.
- We need to remind ourselves that the Government has accomplished what they had set out to do, establish a trucking Commissioners office and ensure Terminals are held accountable for driver wait time. We cannot have the scope of the trucking Commissioner expand so far that it leaves out all competition between companies and worse, places British Columbia in a position that we are unable to compete with both the U.S. Ports at the Montreal Ports.
- We will always have container traffic flow in Vancouver as we are a Port City; having said that, we as companies have seen business leave B.C. due to the rising cost of container drayage. In a PMV conducted analysis of 2009-2019, there has been an 80% increase in container volume, however 60% of that is taken out of BC by rail to other provinces.
- We need to understand that we cannon allow for a small group of I/O's to dictate the future container volumes for British Columbia.

It is our belief based on the industry rumblings, that the push for of Off-Dock regulation comes exclusively from union complaints. As such, no amount of regulation will ever quell these complaints as it is not feasible for work to flow equally among workers on a seniority-based hiring model.

The PTA stands firm in our belief that the regulation of Off-Dock work has the potential to create service failures, reduce our advantages as a Port shipping hub, and ultimately jeopardize the entire drayage

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community. Off-Dock regulation should remain unregulated, and the focus should be placed back on our Ports and their efficiency to service the community through periods of peak demand.

Sincerely,

Port Transportation Association