

Mr. Glen MacInnes
Office of the British Columbia Container Trucking Commissioner
1085 Cambie street
Vancouver, BC V6B 5L7

May 19, 2023

RE: Addendum to 2023 Rate Review Consultation Report - Overtime Calculation for Independent Operators Response

Dear Mr. MacInnes,

Please accept this letter as our submission to the Addendum to 2023 Rate Review Consultation Report - Overtime Calculation for Independent Operators Response.

We have read and agree with the May 19th Port Transportation Association (PTA) submission, and would like it noted that our company proposes the same suggestions for I/O overtime as proposed in the PTA submission as we believe it will bring equality and positive changes to the industry.

A copy of the PTA submission has been attached.

Sincerely,

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Port Transportation Association

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Office of the British Columbia Container Trucking Commissioner
1085 Cambie street
Vancouver, BC V6B 5L7

May 19, 2023

RE: Addendum to 2023 Rate Review Consultation Report - Overtime Calculation for
Independent Operators Response

Dear Mr. MacInnes,

Please accept this letter as our response to the April 25, 2023 Addendum to February 6, 2023 Rate Review Consultation Report - Overtime Calculation for Independent Operators, as well as our April 21, 2023 letter regarding Independent Operator overtime.

The Port Transportation Association (PTA) would once again like to stress our belief that all Independent Operators (I/Os) should move to hourly pay rates now that overtime will be in effect.

The PTA membership contains companies who employ both I/Os and company drivers, and believe that a switch to one hourly pay structure across all drivers will bring positive changes to the industry.

Noting that the membership supporting employs both I/O and company trucks; responsible companies (responsible to their drivers) take no issue with this transition. The Unions have been on record supporting this notion for years. It is only a small group of trucking company owners that take issue with this as well their top tier earners (drivers) that run a cost plus business model that abuses the employment of owner operators, only to their benefit. What we mean is that they flood their companies with excess tags with no regard to the I/O expectations of a reasonable monthly income. Because customer service is paramount to them in this cost-plus scheme, they only care to OVER service the customer to take the competitive edge away from carriers that

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For transparency and industry purposes, the PTA intends to distribute all content and post all meaningful dialogue on our website, to be viewed by both industry and the public.

Port Transportation Association

have a responsible number of tags. Unfortunately this comes with a cost to hundreds of I/Os that are signed up with them and carry their NSC and decals. They legally have no way to seek out other employment.

By moving all dray drivers to an hourly rate, and ensuring all drivers are paid for all of their time, we will reduce the number of instances where trip based drivers may speed in order to complete work, and there will be a level playing field for all I/Os as work there will no longer be a cost-advantage to using one form of I/O over the other.

It is our belief that with a switch to an hourly pay rate for I/Os, we will also see industry rates level out as driver costs should remain similar across all companies.

While the Office of the British Columbia Container Trucking Commissioner (OBCCTC) has put forth a comprehensive calculation to ensure that drivers paid in a rate-based pay scheme are compensated in a relatively similar method to those on the hourly based pay schedule, the calculations required to ensure compliance are cumbersome and add significant stress to office staff to ensure proper payment.

The OBCCTC has failed to add the additional administrative costs and time burdens that calculating each day in multiple ways for each day the driver works over deemed overtime pay thresholds to determine the correct payment method for that day. This multiple step process also leaves room for accidental miscalculations, which may lead to driver complaints and audits.

The hourly overtime rate proposed by the OBCCTC is not only an easy and accurate reflection of how to best capture overtime in an easy to implement way, but will bring about better utilization of tags and increased efficiency.

By moving all I/O tags under hourly payment, the OBCCTC effectively moves the entire industry into one equal pay structure, eliminating wage disputes, complicated audits, and any competitive advantage for companies based on whether they hold company or I/O tags.

Furthermore, I/Os will be utilized more efficiently by Licensees, as it eliminates wait time between runs that is currently not captured under the rate-based pay structure. This is something that helps those I/Os who employ their own drivers to work in their units, as the truck is being paid for all hours, better aligning it with OBCCTC company driver pay requirements.

Port Transportation Association

The PTA appreciates that the OBCCTC has used the same 9 hour or 45 hours per week guidelines for the hourly I/O overtime threshold to match the company drivers.

We would like to suggest that should the OBCCTC move I/Os to hourly by using GeoTab data for verification, in addition to a company-specific time tracking or dispatch system, as I/Os have the option to go “off the clock” for things such as personal errands or trips to the shop in between runs. These movements would be captured by GeoTab, and incorrectly deemed payable hours. We also fear that some I/Os may be incorrectly be told to “go off the clock” in between runs by companies wishing to limit payroll costs and avoid paying overtime. This is what takes place now and it clear abuse and should not take place. When there is no cost to the company, they will leave I/Os hanging until reservations come around.

The PTA feels strongly that all I/O responses to this call for submissions should be verified by Port Pass to ensure that the responses are in fact from active I/Os so that data being used in the final decision is correct, as we have heard reports of some wishing to skew the response. Alternatively, a mandatory survey for I/Os requesting their opinion on the OBCCTC I/O Overtime Rate Proposal and their preference on a move to hourly including overtime pay.

The PTA appreciates the opportunity to submit our response to the OBCCTC proposal, and thanks you for your consideration in moving to I/O hourly with overtime for all, in order to move the industry in a better direction not only in terms of creating an easy and fair pay structure for all drivers in the drayage industry, but equality for all drivers and licensees within the TLS system.

Sincerely,

Mr. Sharn Gill
Director
Port Transportation Association

BCC:
Port Transportation Association Membership