



Industry Advisory Committee (IAC) Meeting Minutes

Tuesday, April 30, 2024

North Delta Rec Centre (Multi-purpose Meeting Room)

11415 84th Avenue, Delta BC

9:30am to 11:30 am

In Attendance:

Paul Nagra	Unifor
Gurveen Bath	Port Transportation Association
Gurinder Pooni	United Container Drivers Association
Andy Sekhon	Vancouver Fraser Port Authority
Gary Brar	BC Trucking Association
Glen MacInnes	OBCCTC, Chair
Karm Jauhal	OBCCTC, Vice Chair
Tarandeep Deol	OBCCTC

Regrets:

Bill McKinstry	Shipping Federation of Canada
Bonnie Gee	Chamber of Shipping
Duane Bryan	Teamsters Local 31
Gagan Singh	UTA Truckers Society of BC

The meeting was called to order at 9:28 am.

1. COMMISSIONER'S UPDATE

A. Court Cases

- The Commissioner advised that the tentative date for Simard Westlink Inc.'s court hearing is the end of May or first week of June.
- While providing an update on the Judicial Reviews, the Commissioner advised that the OBCCTC has been sending updates to the Industry Advisory Committee as and when the office has been getting them. The most recent being a small group of Independent Operators ("I/O"), who are no longer in the industry but they have a permanent Indirectly Employed Operator ("IEO"). In

December 2022, the OBCCTC said that it was not permissible, and cancelled those sponsorship agreements. A JR has been filed regarding this and is currently before the courts.

B. Audits/Decisions

- Decisions have been issued for MDW Express Transport Ltd.
- AMK Carrier Inc. failed to keep accurate records. In 2022, the OBCCTC introduced a new requirement of electronic tracking, GPS to track the drivers' hours. Whenever we got electronic records from licensees which were being audited, the audit processes were much faster. Some licensees hand them in boxes which is not acceptable, the fact that licensees do not have it in place means they already are two years behind.
- A-Can Transport Ltd. did not provide proper records the second time.
- The Commissioner said that he had been working on four more audits, which were almost finished. They will be out very soon.
 - An IAC member said that licensees want to comply with the electronic record and asked which software should be used, as the systems which work for each company are different.
 - The Commissioner said that the OBCCTC does not recommend any specific system.
 - An email was sent last week by from Vancouver Fraser Port Authority to licensees regarding Geotab software and its features. Licensees are encouraged to reach out to the TLS Administrator if they want the free Geotab training.

C. 2024 CTS Licence Consultation

- The Commissioner thanked all the members for doing a great job at expressing their views, saying that he read all their submissions.
- He added that the proposals which cause concern had been modified and that the in-person consultation meetings were very helpful, suggesting that maybe it should be reversed – discussing and understanding what the Commissioner wanted to do here and then give submissions.
- The Commissioner informed the IAC members that the report will be out later this week.
- A member said that there have been questions around the proposed changes and suggested that explaining the reasons in the report will be good so that people can understand. They also asked if there would be timelines in it.
 - The Commissioner said that OBCCTC was building a timeline backwards, as one of the things the Commissioner wanted to spend time on was how to evaluate the applications. The challenge being that it does not seem equitable to not give any recognition to the companies which have been in the industry as compared to new ones. The Commissioner added that previously existing licenses were also given an advantage, but it's not fair that people who aren't compliant are given that advantage. He said that he wanted to look at years of service, compliance, penalties, tag utilization etc. and then grant licences. After ranking them based on these factors, the top companies will be the compliant ones and scoring for all licensees at the bottom will be with the newcomers. He projects that about 20% of licensees will be at the bottom, while 80% of the licensees will be in good or best; and that it is the most

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- equitable way to accommodate service.
- The member then asked if the OBCCTC was coupling tag count to the licence years.
 - The Commissioner said that only at the beginning because the licensees have to get the licence and they have to be given tags.
 - To which the member showed a concern that the licensees had always been asking for more tags but now newcomers could enter and take away their tag count.
 - The Commissioner brought their attention to the fact that there are licensees who have left the industry also. So when a licensee leaves mid-term, the other licensees have an opportunity to get more tags.
 - The Deputy Commissioner added to it saying that licensees are given a lot of opportunities to get more tags during the term of a licence.
 - The Commissioner further elaborated that if a company is at the top, they do not have to worry. The ones that should be concerned are the ones that have not been compliant, but that is only because of their track record over the years. There is nothing in the *Act* that says that the Commissioner can block the new entrants from entering, but according to this model, if a company wants security, then they will have to demonstrate that they are compliant. If there are tags left for new entrants, it is because the existing licensees have failed to demonstrate it in their business plan.
 - Another member agreed with the Commissioner saying he was on the right track. However the only thing he was hesitant about was that there are shadow fleets operating and most of them are operated by non-compliant licensees.
 - The Commissioner asked the member to stay tuned for the report. The only pushback is that he does not want the best 5 companies taking over the whole thing. That is why he wants to put a cap on the number of tags a licensee can get.
 - A member suggested that having brackets is good, but the individual business case should also be considered.
 - Another member mentioned that there are about 70-80% of companies in local drayage and then there are highway fleets also. Overall 100 companies have access to the port (ballpark). With the current licensees' experience, the good or bad actors can be determined given the data the OBCCTC has, but the work is getting done and there is no shortage of trucks, so why is the office letting new entrants enter?
 - The Commissioner said that the legislation is very clear that the Commissioner cannot stop newcomers from entering.
 - The same member then expressed concern that the new entrants with big money will eat the business.
 - The Commissioner said that when he looks at the applicants that come in, they usually ask for a chance saying they can find more business, but they will have to provide evidence that they have work.
 - Another member's concern about new applicants was that the VFPA can only accommodate 1500-1600 trucks. We cannot send 2000 trucks there. We are not increasing the number of tags

currently in the system. We have approx. 1550 tags with 50% Company and 50% I/O and we intend to keep it the same.

- The Commissioner said that the OBCCTC will look at how efficient they are. The Best ones will be compared among each other. Medium to medium comparison will take place. What the OBCCTC will look at is how much a tag is being used. If for example there is a labour relations problem within the company and the tag is not being utilized, do you want me to give you a tag so that a person can drive it/use it just one day a week? Another reason that the Commissioner has heard from the licensees with poor tag utilization is that it takes too much effort/time to get the GPS installed. But the Commissioner went to see the process and found the person installing GPS to be very professional and quick. The Commissioner does not believe in compensating licensees for their business decisions by giving them more tags.
- A member mentioned that each truck and each tag should be provided with a full-time job.
 - To this the Commissioner said that the OBCCTC is associating the payroll with the truck.
- Another member asked if there was a way to find out the percentage on mark up of fleet, because when the companies apply for licence, they need to know.
 - The Commissioner answered it by saying that the company should have a good ranking because if they are at the bottom, then if they do not get tags, it is because they are at the bottom.
- One of the members asked if a carrier has a lot of I/Os and the carrier exits the system, will those I/Os stay in the eligible pool for 90 days?
 - The Deputy Commissioner said yes, they would, I/Os are not removed from the Commissioner's List because a Licensee does not apply, they remain and have the opportunity to move to another licensee that has work for them.
 - The Commissioner added that it was a good point. And that Safeway was a good introduction to this for him. There were I/Os in his office. These I/Os were ready for those licensees who readily wanted drivers. So the companies absorbed those I/Os. It seemed to work, and yes, they stay in the system.
- A member asked if there was a requirement for companies to have so many I/O tags or company tags.
 - The Commissioner said that it would also depend on what is available based on their ranking. If there are only I/O tags available, then that is all that company can get. He added that he is not restricting the licensee from changing their business model.
- A member asked if the goal was to keep it 50/50.
 - The Commissioner affirmed and said that the vision is for say 1500 tags to be 750 I/O tags and 750 company tags. For the top companies, they will just pick, they will not have a problem. The licensees at the bottom might have a problem.
- The same member then asked if there will be feedback for the criteria.
 - The Commissioner said yes
- Another member asked if the licensees were supposed to track the electronic hours for I/O trip truck model.

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- The Commissioner responded that according to the *Employment Standards Act (ESA)*, the licensees are supposed to track these hours, even today. For the new licence, they will be required to track drivers' hours.
 - The member then went on to say that the logbooks are not all e-logs, but are they sufficient?
 - The Commissioner said that the requirement to have electronic record keeping has been in place for licensees since 2022, if they do not have it, that means they are not compliant. For the OBCCTC purposes, we need to know how many hours it took, what is the average cost of their trip etc.

D. 2024 CTS Licence Criteria

- Talking about the 2024 CTS Licence Criteria, the Commissioner said that it should not be a surprise to the IAC, as he had discussed it before. There are some basics like if a company has had their licence cancelled by the Commissioner before, they cannot apply; the applicant's office location should be in BC etc.

E. 2024 CTS Licence Timeline

- The Commissioner informed everyone that the applications will open sometime later in Spring. The OBCCTC will be reviewing the applications in the summer, and in the fall, conditional notices will be issued.
- The Deputy Commissioner added that is when the companies will do the majority of the paperwork at the front end this time. In the fall, companies will receive their conditional approvals or notices if they were successful in obtaining a CTS License. The conditional approval will tell companies how many tags they got.

F. Overtime

- The Commissioner said that he will be reaching out to have another meeting with the members about overtime soon.

G. Roundtable Discussion

- A member asked if the OBCCTC was using the mid term time to remove bad licensees.
 - The Commissioner said that the idea is not to remove licensees.
- Another member said that they have an example of a company chat, where the driver is complaining about maintenance by saying that their truck needs maintenance, but the owner is asking them to do a pickup from the Deltaport. And when they said they could not, the dispatcher said that they could collect their cheque.
 - The Commissioner said that he listens to drivers too. He understands both their positions. He is open to giving the licensees who have complied, a longer licence, so that they can show more commitment to their drivers. The OBCCTC also has to shield the drivers who have complained against retaliation. The bottom line is that the Commissioner wants to get the resources moving from a non-compliant company to a compliant one; and that he is looking at a mechanism that gives security to the drivers and longer-term licence to licensees.
- A member remarked that as far as the term goes, 3 years is good. It has worked in the past. It does not take long for a good actor to turn into a bad actor. Everyone should be on their toes.

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- The Commissioner said that he also has to consider the licensees being able to secure deals.
 - To which another member added that 2 years is short. There are a lot of factors like finances etc.
 - And then another member said that 2 years is enough because even the licensees' clients know the conditions.
 - The Commissioner further said just like the drivers demand some things from the licensees, the licensees need a longer business model that can absorb that.
 - A member said that drivers have commitments. They are let go without severance. If the company needs security, then even the drivers need security. They said that if a driver takes a sick day once, they do not get work the next day. And if they take a second day off, they stop getting work. They shared their experience of how they were let go from different companies, and that their union hired a lawyer and proved how they were right.
 - The Commissioner said that these were all valid concerns.
 - The Commissioner also clarified that the licence period was not getting extended this term.
 - The VFPA representative said that their system will be down from Friday to Sunday.

The meeting was adjourned at 11:03am.