



November 27, 2024

Embassy Transportation Inc.  
2651 No. 5 Road  
Richmond, BC V6X 2S8

## **Embassy Transportation Inc. (CTC Decision No. 13/2024) – Decision Notice**

### **Introduction**

1. In [Embassy Transportation Inc.](#) (CTC Decision No. 04/2023) (“2023 Decision”) I ordered Embassy Transportation Inc. (“Embassy”) to pay its drivers \$11,691.55 and provide proof of same by May 31, 2023, to review its payroll records from May, 2019 until the date of the 2023 Decision and make the adjustments necessary to bring itself into compliance with the *Act*, and to advise of any corrections by August 31, 2023 (the “Original Orders”).
2. In [Embassy Transportation Inc.](#) (CTC Decision No. 13/2024) (“2024 Decision”) I found that Embassy was in breach of section 23 of the *Container Trucking Act* (“*Act*”) for paying its drivers non-compliant rates during the Audit Period (May and June of 2019, March and November of 2020, January and December of 2021, June and October 2022 and January 2023). I also found Embassy in breach of section 6.7 and 6.10 of its CTS license for not having an electronically generated payroll system in place in January 2023, and in breach of Appendix D (4) of its CTS license for failing to provide trip sheets and timesheets for May and June 2019.
3. I also found that Embassy had failed to comply with the Original Orders. It had not paid its drivers the \$11,691.55 and it had estimated that it owed its drivers approximately \$59,802.05 for a lesser period of time than between May 2019 and May 2023 and had not advised of same. Upon review the auditor found that the amount owed was in fact at least \$69,724.70 and I ordered Embassy to immediately pay its drivers that amount and confirm having done so within 15 days of the date of 2024 Decision. An administrative penalty of \$60,000 and a suspension of two weeks or until such time as Embassy complied with the Original Orders was proposed.
4. Consistent with s. 34(2) of the *Act*, Embassy was given seven (7) days to provide written response setting out why the proposed penalty should not be imposed.
5. On July 1, 2024, Embassy provided a submission to the proposed penalty and I have considered Embassy’s responses to the 2024 Decision and provide the following Decision Notice.

### **Embassy Response**

6. Embassy states that it took steps to comply with the Original Orders by immediately informing the drivers of the underpayment and committing to compensate them the \$11,691.55 owed and “closely monitoring fuel surcharge changes to prevent such issues in future reports.” As set out in the 2024 Decision, this Office was required to call on Embassy’s security to ensure this amount was paid to Embassy’s drivers.
7. Embassy further submits that it was co-operative with the auditors during the period of time leading up to the 2024 Decision even though the OBCCTC audited the same years previously. Furthermore, Embassy acknowledges that it has made mistakes and says that it has taken steps to make the necessary changes in its operations to bring itself into compliance including paying its drivers the \$69,724.81 as ordered in the 2024 Decision. Embassy provides copies of cheques made out to each driver dated July 11, 2024 totaling \$69,724.81.
8. Regarding the proposed penalty, Embassy explains that it is a small company that has had to contend with a pandemic and reduced container transportation volumes. It says that it plays a unique role in matching local Chinese clients with container trucking services. Embassy asks that its penalties be reconsidered based on its sincerity.

#### **Consideration of Licensee’s Response**

9. Embassy’s submission lacks any explanation of its failure to comply with the Original Orders and in fact appears to suggest that it is sufficient that it has paid its drivers the directed amount, roughly estimated rather than calculated the amount owing to its drivers for a shorter period of time than directed, and changed its practices on a go-forward basis. The Original Orders required Embassy to review its payroll records between May 8, 2019 and May 8, 2023 and make the appropriate adjustments – not make a “guestimate” that did not include the entire time period. Embassy’s failure to comply with the Original Orders required this Office to call on Embassy’s security for the \$11,691.50. Additionally, Embassy’s review of the May 2019 to May 2023 period has not been completed as directed, meaning there is a strong likelihood that there is outstanding amount owed to drivers for the months that have not been considered.
10. Furthermore, despite Embassy’s suggestion that it has paid its drivers as ordered by the deadline set out in the 2024 Decision, the OBCCTC has confirmed with the drivers that some have not been paid or paid the full amount as ordered and has required this Office to call on Embassy’s security for the \$58,759.40.
11. I cannot accept that administrative penalty is not required or necessary for the reasons set out in the 2024 Decision and nothing in Embassy’s submission has satisfied me that it will not continue to resist

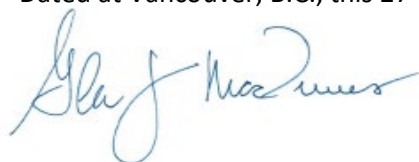
the Original Orders related to reviewing its payroll records between May 8, 2019 and May 8, 2023 and making any additional adjustments required.

**Conclusion**

12. I am not persuaded to reduce or refrain from imposing an administrative penalty. Having carefully considered Embassy's submissions, and for the reasons set out here and in the 2024 Decision, I order Embassy to pay an administrative fine of \$60,000.00. Section 35(2) of the Act requires this fine to be paid within 30 days of the issuance of this Decision Notice.
13. I also order Embassy's CTS licence No. 22-054 be suspended for a two-week period or until it fully complies with the Original Orders related to reviewing its payroll records between May 8, 2019 and May 8, 2023, making the appropriate adjustments, and advising this Office of same, whichever is sooner. The suspension period will begin on Saturday November 30, 2024. The purpose of the suspension is to confirm for Embassy that it must pay its drivers the regulated rates, especially when it has been ordered to do so, and that it will not be able to operate when monies are owed in breach of an order.
14. Embassy may request a reconsideration by filing a Notice of Reconsideration with the Commissioner not more than 30 days after its receipt of this Decision Notice. A Notice of Reconsideration must be:
  - a) made in writing;
  - b) identify the decision for which a reconsideration is requested;
  - c) state why the decision should be changed;
  - d) state the outcome requested;
  - e) include the name, an address for delivery, and telephone number of the applicant and, if the applicant is represented by counsel, include the full name, address for delivery and telephone number of the applicant's counsel; and
  - f) signed by the applicant or the applicant's counsel.
15. Despite the filing of a Notice of Reconsideration, the above orders remain in effect until the reconsideration application is determined.

This Decision Notice along with the 2024 Decision will be published on the Commissioner's website.

Dated at Vancouver, B.C., this 27<sup>th</sup> day of November 2024.



Glen MacInnes  
Commissioner