



March 19, 2025

Maersk Logistics & Services Canada Inc.
8400 River Road
Delta, BC V4G 1B6

Commissioner's Decision

Maersk Logistics & Services Canada Inc. (CTC Decision No. 07/2025)

Introduction

1. Maersk Logistics & Services Canada Inc. ("Maersk") is a licensee within the meaning of the *Container Trucking Act* (the "*Act*") and the *Container Trucking Regulation* ("the *Regulation*").
2. Section 16 (1)(b) of the *Act* states that a licensee must carry out container trucking services in compliance with:
 - i. this *Act* and the regulations,
 - ii. the licence, and
 - iii. if applicable, an order issued to the person under this *Act*.
3. Maersk currently operates under a container trucking services licence that came into force on December 1, 2024 ("2024 CTS licence"). Section 6.16 of the CTS licences states that Maersk must carry out Container Trucking Services for On-Dock Trips and Off-Dock Trips using only truck tags allocated by the Commissioner on the conditions imposed by the Commissioner. Section 6.17 states that the licensee must assign a truck tag to each truck performing container trucking services for On-Dock trips and Off-Dock trips. "Truck Tag" is defined as meaning "an OBCCTC decal affixed to a truck pursuant to this Licence." As per 1 (d) (i) of Appendix B to Schedule 1 that all Approved Vehicles used by the Licensee for container trucking services are identified [by] display a Truck Tag on the approved truck to carry out container trucking services for On Dock Trips and Off Dock Trips.
4. Under section 31 of the *Act*, the Commissioner may conduct and audit or investigation to ensure compliance with the *Act*, the *Regulation* or a license.

Background

5. The Office of the BC Container Trucking Commissioner ("OBCCTC") introduced the OBCCTC tag in October 2023 to help achieve the following:
 - i. enhance visibility of tagged trucks approved to perform CTS work.
 - ii. streamline tracking of all trucks performing CTS work.
 - iii. off dock enforcement (would assist in identifying approved trucks performing CTS work off dock).
 - iv. OBCCTC Tag identifies the truck as being approved by the OBCCTC.

6. On October 18, 2023¹, the OBCCTC issued an Industry Advisory advising the licensees on their responsibility to get the OBCCTC tag.
7. Since the introduction of the OBCCTC tag, the OBCCTC has spent significant resources installing OBCCTC decals on all approved trucks (both company and I/O trucks) with multiple opportunities for licensees to ensure the trucks performing CTS are properly tagged since the introduction of the OBCCTC tag² in 2023.
8. On or about November 27, 2024, the OBCCTC issued Maersk a 2024 CTS licence which came into effect of December 1, 2024.
9. On or about November 27 2024, the OBCCTC advised Maersk to send a representative of Maersk to pick up their expiry decals.³
10. On or about November 29, 2024, a representative of Maersk picked up the expiry decals that had been allotted to Maersk under its new license and received instructions to install the OBCCTC expiry decals on each approved truck in Maersk's fleet (both approved company and I/O trucks) before December 1, 2024 and was reminded that failure to do so may result in Maersk being non-compliant with their 2024 CTS Licence.

Investigation

11. On January 8, 2025, the OBCCTC participated in an enforcement initiative alongside the Commercial Vehicle Safety and Enforcement branch ("CVSE").
12. On January 8, 2025, a container truck without a valid OBCCTC decal was observed moving a container on Blundell Road in the city of Richmond. The container truck was identified as Unit 31 and as owned by Maersk with BC license plate WL4869 ("Impugned Truck").
13. On January 22, 2025, the OBCCTC wrote to Maersk regarding the Impugned Truck performing container trucking services without a valid OBCCTC decal.
14. Maersk was provided with an opportunity to provide submissions on or before February 5, 2025.
15. On February 5, 2025, Maersk provided the OBCCTC the following response:

We would like to clearly state that Maersk has never operated, nor does it operate, any trucks without the required OBCCTC tags. In this specific instance, the truck in question did have an OBCCTC decal; however, the updated expiry decal was unintentionally missed during the application process. This was an isolated administrative oversight, promptly rectified the same day after the driver notified the terminal.

¹ Industry Advisory – Introduction of the OBCCTC tag – October 18, 2023

² Industry Advisory – Off dock enforcement- December 19, 2023

³ Notice of Expiry Decal -

The movement in question involved an empty container, which was transported from River Road, Delta BC to Coast2000, Richmond BC on January 8, 2025. While the absence of an updated OBCCTC expiry decal might be seen as an identifier of an untagged truck, this is a superficial assessment. In our case, the truck remained fully authorized to operate, as evidenced by its ability to access the Port of Vancouver, where only licensed and properly tagged trucks are granted access. Therefore, this situation does not constitute operating an untagged truck.

Decision

16. As described above, the circumstances of this case are:
 - i. The OBCCTC conducted an enforcement initiative on January 8, 2025.
 - ii. On January 8, 2025 the OBCCTC observed a Maersk truck performing CTS without a valid OBCCTC expiry decal.
 - iii. Maersk advised that this was an administrative oversight and submitted that although its truck did not display a valid OBCCTC expiry decal, it remained “fully authorized to operate by the Port of Vancouver” such that the situation did not constitute operating an untagged truck.
17. Section 18 of the *Act* provides that the Commissioner may impose any conditions the Commissioner considers necessary.
18. Section 34 of the *Act* provides that, if the Commissioner is satisfied that a licensee has failed to comply with the *Act*, or the terms and conditions of the Licensee’s licence, the Commissioner may impose a penalty or penalties on the licensee. Available penalties include suspending or cancelling the licensee’s licence or imposing an administrative fine. Under section 28 of the *Regulation*, the maximum administrative fine the Commissioner may impose in the case of a contravention relating to the payment of remuneration or fuel surcharge is \$500,000, and in any other case, the maximum is \$10,000.
19. In keeping with the purposes of the legislation, the factors which will be considered in assessing the appropriate administrative penalty include the following, as set out in Smart Choice Transportation Ltd. (OBCCTC Decision No. 21/2016) and Goodrich Transport Ltd. (OBCCTC Decision No. 06/2023):
 - iv. The seriousness of the respondent’s conduct
 - v. The damage done to the integrity of the Container Trucking Industry
 - vi. Factors that mitigate the respondents conduct;
 - vii. The need to demonstrate the consequences of inappropriate conduct to those who enjoy the benefits of having a CTS License;
 - viii. The need to deter licensees from engaging in inappropriate conduct; and
 - ix. Orders made by the Commission in similar circumstances in the past.
20. Historically labour disruptions in the container trucking industry were caused in part because there were too many trucks chasing too few containers, forcing drivers and companies to undercut each other’s rates. The drivers and companies would offset their lower wages by increasing the number of containers they moved each day. This practice led to an unequal

distribution of work as the lowest paid drivers moved the most containers. As it eventually became less economically viable for drivers to move containers, labour unrest occurred.

21. In order to address this instability in the drayage sector, the OBCCTC adopted the Vancouver Fraser Port Authority's ("VFPA") truck tag system. Only licensees with valid truck tags are permitted to perform container trucking services. The OBCCTC has a limited number of truck tags to limit congestion and to balance the amount of work against the number of tagged trucks and drivers. A valid truck tag is a visible indicator to other container drivers and licensees that the truck is registered with the OBCCTC and is approved to perform container trucking services.
22. In the present case, Maersk does not dispute that if failed to display a valid OBCCTC expiry decal might be seen as an identifier of an untagged truck but argues this is a superficial assessment and because the truck was still allowed to enter the Port of Vancouver, the situation does not constitute operating an untagged truck.
23. I remind Maersk that as a condition of its 2024 CTS licence, Section 1 (d) (i) of Appendix B to Schedule 1 of the CTS licences states that Maersk must display a Truck Tag on the approved truck to carry out Container Trucking Services for On-Dock Trips and Off-Dock Trips. Therefore, operating a truck without displaying a valid OBCCTC tag to perform container trucking services On dock and Off dock is a violation of the 2024 CTS Licence.
24. When a Maersk representative picked up the expiry decals, he was provided with specific instructions and was advised that failure to display the new expiry decals after December 1, 2024, would be non-compliant⁴. He also signed an acknowledgement receipt confirming the 2024 CTS Licence materials and the expiry decals were received.
25. The requirement to use only tagged trucks for container trucking services work (both on-dock and off-dock) existed in Maersk's previous CTS licence. The OBCCTC has been for many years issuing bulletins and industry advisories to licensees to only use tagged trucks to perform container trucking services. The OBCCTC issued several communications including on social media⁵ to remind licensees that they are required to ensure the decals are adhered to the trucks before December 1, 2024. Maersk had not done so for five weeks after receipt of the new decals.
26. Like all licensees, Maersk is responsible for knowing its obligations under the legislation and its licence, including ensuring that vehicles performing container trucking services are properly tagged. I find that Maersk breached the 2024 CTS licence when it operated a truck without displaying a valid OBCCTC decal on January 8, 2025.
27. In this case, I did not find any breach of the *Act*, *Regulation* or term of the licensee related to payments of remuneration. the maximum administrative fine the Commissioner may impose in the case of a contravention relating to the payment of remuneration or fuel surcharge is \$500,000.
28. The maximum available administrative fine in any other case is \$10,000.

⁴ Instruction sheet provided to every licensee with decals.

⁵ Various Facebook posts from November 14, 2023 to November 18, 2024

29. For the reasons above, I have found that Maersk was in breach of 1 (d) (i) of Appendix B to Schedule 1 its CTS Licence and have concluded that an administrative penalty of \$500 is appropriate in this case.
30. It should be clear to all licensees that all container trucking services – both off dock and on dock – must be performed using tagged trucks clearly displaying valid OBCCTC decals. Failure to comply is likely to result in a penalty.
31. Considering all the factors present in this case, I conclude that this is an appropriate case to issue a penalty of \$500.
32. Therefore, in accordance with s.34(2) of the Act I hereby give notice as follows:
 - a) I propose to impose an administrative fine against Maersk in the amount of \$500.00.
 - b) Should it wish to do so, Maersk has 7 days from the receipt of this notice to provide the Commissioner with a written response setting out why the proposed penalty should not be imposed.
 - c) If Maersk provides a written response in accordance with the above, I will consider its response, and I will provide notice to Maersk of my decision to either:
 - i. Refrain from imposing any or all of the penalty; or
 - ii. Impose any or all of the proposed penalty.

Conclusion

33. In summary, Maersk has been found to have violated the CTS licence by performing container trucking services in the Lower Mainland with a truck without a valid OBCCTC decal on January 8, 2025. I have determined that it is appropriate to propose of a \$500 penalty.

Dated at Vancouver, BC this 19 day of March 2025.



Karm Jauhal
Deputy Commissioner