July 10, 2025

Quality Forest Products Ltd.
#203-17660 65A Ave.
Surrey, BC V3S 5N4

Commissioner's Decision
Quality Forest Products Ltd (CTC Decision No. 08/2025) – Decision Notice

Introduction

1. Quality Forest Products Ltd. (CTC Decision No. 08/2025) ("2025 Commissioner's Decision") arose out of a Compliance Audit conducted to ensure that the licensee had complied with the 2024 Orders made in Quality Forest Products Ltd. (CTC Decision No. 01/2024) ("Original Decision").

2. In the 2025 Commissioner's Decision, I determined that Quality Forest Products Ltd. ("QFP") had violated section 23 of the *Container Trucking Act* ("*Act*") as it failed to pay drivers the regulated rates during the Compliance Audit Period and it failed to pay the Complainants the PMR between April 2020 and March 2021. I further found that QFP was in breach of sections 6.7 and 6.10 of its CTS license when it failed to provide electronically generated payroll records and evidence of electronic tracking. I also found that QFP improperly deducted National Safety Code and trackers fees from its drivers' wages in breach of section 24 of the *Act* and Appendix E to Schedule 1 of the CTS license. I also found that QFP was in breach of Appendix D to Schedule 1 of the CTS license when it failed to provide payroll records upon request, failed to record the hourly rate paid to drivers on its wage statements, and failed to provide accurate records. Last, but not least, I found QFP had breached the 2024 Orders and had manipulated its payroll records.

3. At paragraph 51 of the 2025 Commissioner's Decision, I ordered QFP to pay a total of $56,637.65 in accordance with the attached Appendix A ("2025 Order").

4. At paragraph 52, I explained that I was unable to determine the total amount owed to one complainant ("GD") because of QFP's failure to provide certain records and at paragraph 62. I proposed that QFP's CTS license be suspended for six months or until QFP provided the records in question, whichever was sooner.

5. An administrative fine in the amount of $100,000.00 was also proposed for the reasons set out in paragraphs 53 to 62.

6. Consistent with s. 34(2) of the *Act,* QFP was given 7 days to provide a written response setting out why the proposed penalty should not be imposed.

7. On April 9, 2025, QFP provided a response and payroll documents and it became clear that QFP had not received or reviewed the driver daily logs for PB and GB that those drivers had provided the OBCCTC.

8. On May 13, 2025, QFP was provided copies of those driver daily logs and an opportunity to provide an additional submission no later than May 27, 2025.

9. On May 27, 2025, QFP provided an additional response.

10. On June 4, 2025, QFP was provided copies of wage statements provided to the OBCCTC by GD for the period of April 1-15, 2020, April 16-30, 2020 and April 16-30, 2021 and was invited to respond to the discrepancies between the GD-provided and the QFP-provided wage statements.

11. On June 11, 2025, QFP provided a submission in response to the June 4, 2025 letter.

QFP's Response

12. QFP requests that the Commissioner carefully evaluate all the relevant facts and figures before issuing an administrative penalty.

13. QFP disputes the accuracy of the "handwritten" driver daily logs on the basis that they are not QFP documents and speculates that the Complainants either amended or falsified the records after receiving payment from QFP in November 2021 following an initial audit. QFP suggests this is supported by the fact the Complainants did not raise any issues with QFP or the OBCCTC in the two years prior to the November 2021 payments. QFP requests that the OBCCTC provide corroborating evidence from the terminals or the Vancouver Fraser Port Authority for each of the container moves recorded in the driver daily logs.

14. QFP states that its decision to pay the drivers $8,933.94 as ordered in the Original Decision was not an admission of fault "as suggested" and that it simply chose not to dispute the payment.

15. QFP states that the auditor has failed to adequately explain how she confirmed that certain container movements occurred in the absence of any recorded data in the "port system." In particular, QFP questions how the auditor determined container TCNU8877389 was moved on November 16, 2020 from Surrey North to Delta Port when the terminal records do not record such a container movement on that day.

16. In response to the discrepancies between the two versions of GD's wage statements, QFP states that "there appears to be no gross difference between the two versions for [GD] payroll April 2020 and April 2021." QFP further states that it submitted the "original wage statement and daily trip sheets" for GD to the OBCCTC in 2021. Regarding the wage statements for GD, PB and GB, QFP asks for the container numbers, truck number, date and time and location of each movement to confirm the accuracy of the number of trips.

17. QFP also maintains that the auditor has not sufficiently detailed how she calculated the amounts owing for the trip rate errors in June and November 2020, the outstanding PMR, the NSC and Tracker Fees deductions and the hours owed for work in July and August 2021, October 2022, and October 2023. It also asks for more detailed information or evidence establishing why information submitted by QFP has been "deemed incorrect."

18. QFP states that it was cooperative at all points during the audit process and any delays are the fault of the OBCCTC.

Consideration of QFP's Response

19. QFP's falsification of payroll records in order to suggest that it paid the PMR when it did not was difficult to detect but simple in its execution – QFP reduced the number of trips a driver actually made in a pay period to make it appear that the driver was paid more for each recorded trip and that the altered (or blended) rate included the $25.00 PMR. None of QFP's submissions have changed my findings on this.

20. I explained in the 2025 Commissioner's Decision why I considered QFP's continuing requests for information and clarification to be part of a calculated attempt to hinder and deceive and I find QFP's most recent submissions to be more of the same. QFP continues to question the movement of container TCNU8877389 on November 16, 2020 by one of the Complainants and to question the accuracy of the Complainants' daily logs generally. However, QFP has not provided a reasonable explanation as to why it presented one set of records to the auditor and another set to the drivers. Its submissions have not changed my findings that the November 16, 2020 container move occurred and that the Complainants' daily logs were consistent with the preponderance of the evidence.

21. I also find QFP's submission on the two versions of GD's wage statements to be non-responsive. I am unclear what QFP means by there being no "gross difference" in the two wage statements when clearly the total daily rates and trip numbers that make up the "gross amount" are substantially different between the two versions. As an example, the April 1 to 15, 2020 wage statement provided to the OBCCTC by GD, which was put to QFP, is clearly different than the corresponding QFP-provided wage statement for the same period. GD's wage statement indicates that he performed 46 trips in the pay period while QFP's version indicates he performed 36 trips. QFP's observation that the gross amount paid is the same is not evidence that the driver was paid the correct amount.

22. QFP does not draw my attention to a specific paragraph in the 2025 Commissioner's Decision suggesting that its payment of $8,933.94 as ordered in the Original Decision was construed as an admission of wrongdoing and I did not rely on the payment of those wages as such.

23. At paragraph 52 of the 2025 Commissioner's Decision, I noted GD did not provide the auditor with a driver daily log with the result that the number of trips performed by GD without compensation could not be assessed in the same way as for the other drivers. However, the ten "missing containers trips" in the April 1 to 15, 2020 period discussed in the paragraph above was subsequently derived from a comparison of the two different wage statements for that pay period after QFP provided different wage statements in response to the 2025 Commissioner's Decision. Clearly QFP determined at one point that GD moved 10 additional containers, and the information associated with the number of "missing container trips" is in the possession of QFP.

24. I find QFP's submission that the drivers' daily logs are unreliable because they were neither kept in accordance with QFP standards nor corroborated by terminal data unpersuasive. As I explained at paragraph 41 of the Original Decision, the terminal data is not retained after one year and cannot be retrieved given the passage of time. However, the number of visits to the port recorded in the driver daily logs between February 1 -15, 2021 was consistent with the port pass data. QFP has not persuaded me that the analysis set out beginning at paragraph 39 of the 2025 Commissioner's Decision is incorrect.

25. I do not give any weight to QFP's argument that the drivers' daily logs are unreliable because the drivers did not immediately complain. The fact that the total number of trips on the drivers' daily logs matched the total number of trips on their wage statements provided may explain why the drivers did not initially complain. The drivers may not have been aware of the new PMR of $25 per trip introduced a year earlier either. Similarly, the drivers may not have been aware that QFP was not permitted to make certain deductions. Regardless, it is the licensee who is ultimately responsible for understanding its responsibilities and the Commissioner is able to remedy a breach even without a complaint being made. QFP maintains that the driver daily logs were falsified despite there being no evidence to support such a hypothesis.

26. Regarding QFP's suggestion that the auditor has not sufficiently detailed how she calculated the outstanding amounts, I am satisfied that her audit reports and accompanying worksheets provide sufficient detail.

27. QFP has now had the chance to review the driver daily logs and, while it may dispute the accuracy of the number of trips recorded, it does not dispute the auditor's math. I find there is no reasonable basis for QFP to suggest that it does not understand how the auditor calculated the amounts owing to each driver.

28. At paragraphs 42 and 57 of the 2025 Commissioner's Decision, I described how QFP's tactics delayed the audit process and how the auditor's tenacity ultimately brought QFP's scheme to light. I wholly reject QFP's assertion that any time the auditor took to unravel QFP's fraudulent scheme can be characterized as delay. QFP engaged in a sophisticated scheme to "cook the books" and it took significant time and resources to uncover and understand was happening and ensure the drivers were paid the money owing to them. QFP has not provided any information that would change my conclusion.

29. QFP has failed to provide any reasonable explanation for providing PB, GB and GD with one set of wage statements recording a higher number of trips and providing the OBCCTC with wage statements for the same three drivers recording fewer trips. I find it highly improbable that one version of the wage statements would coincide with the daily driver logs and not be the accurate wage statement. There is no other explanation than that QFP generated two different sets of wage statements in an attempt to falsely demonstrate that it paid the PMR.

30. It was only after QFP submitted payroll records to the OBCCTC to demonstrate that it had complied with the 2024 Order and in response to the auditor's to requests for documents starting on April 22, 2024, and after reviewing the auditor's reports and considering QFP's responses, that I was able to determine that that QFP was "cooking the books" in an effort to continue with its scheme. Prior to the 2025 Commissioner's Decision, QFP appeared only to have failed to pay two of the Complainants for all trips performed. If QFP had complied with the 2024 Order things may have ended there.

31. Although QFP has not produced the records for GD as required in paragraph 62 of the 2025 Commissioner's Decision, I will not suspend QFP's licence as proposed because the amount owing to GD are now understood. QFP's assertion that it had provided the "original wage statements" in a previous audit led to a review of the previous auditor's files that uncovered wage statements GD had in fact provided to the OBCCTC. I asked the auditor to calculate the PMR owed to GD between

April 1, 2020 and April 30, 2021 (the period he was not paid the PMR) by comparing the GD-provided wage statements against the QFP-provided wage statements and the auditor determined that GD was paid for 995 trips during that time period, for a PMR total of $24,875.00 (995 trips x $25). The auditor also reviewed wage statements provided by GD for April 1-15, 2021 and April 16 -30, 2021 indicating he was paid by the hour instead of by the trip and noted that GD was paid less than the regulated rate for the hours worked. The auditor calculated that GD is owed an additional $331.32 for that period as a result. I accept the auditor's calculations as the best available evidence of monies owing to GD.

32. The administrative penalty proposed in the 2025 Commissioner's Decision was based on the Compliance Audit finding that QFP owed $56,637.65. QFP has still not complied with the 2025 Order to pay $56,637.65 and, since that time, the amount owing to the drivers has increased to $81,843.97.

Conclusion

33. Having carefully considered QFP's submissions and additional evidence and for the reasons outlined above and in the 2025 Commissioner's Decision, I uphold the administrative fine proposed but I will not suspend QFP's licence.

34. As QFP has not paid the drivers in accordance with the 2025 Order as of the date of this Decision Notice and given my acceptance of the auditor's assessment of the additional wages owed to GD, I will amend the 2025 Order to include the $24,875.00 and $331.32 owing to GD and set a deadline for payment as follows:

    Within 25 days of the date of this Decision Notice, QFP must pay a total of $81,843.97 less any statutory deductions (as outlined in paragraphs 37, 38 and 41 in the 2025 Commissioner's Decision and paragraph 31 of this Decision Notice) to be distributed between each driver in accordance with Appendix A (as amended) to this Decision Notice.

35. QFP must provide the OBCCTC Registrar with proof of payment in the form of the Compliance Form for each driver no later than 30 days of the date of this Decision Notice.

36. I also order QFP to pay an administrative fine in the amount of $100,000.00. Section 35(2) of the *Act* requires that these fines be paid within 30 days of the issuance of this Decision Notice. Payment should be made by delivering to the OBCCTC a draft or money order in the amount of $100,000 payable to the Minister of Finance.

37. I will refrain from issuing the proposed suspension for the reasons set out above.

38. Finally, I note that QFP may request a reconsideration by filing a Notice of Reconsideration with the Commissioner not more than 30 days after QFP's 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,

f. signed by the applicant or the applicant's counsel.

39. Despite the filing of a Notice of Reconsideration, the 2024 Orders, the 2025 Order and the order requiring QFP to pay the $100,000 administrative penalty remain in effect until the reconsideration application is determined.

40. This Decision Notice along with the 2025 Commissioner's Decision will be published on the OBCCTC's website (www.obcctc.ca).

Dated at Vancouver, B.C., this 10th day of July 2025.

Glen MacInnes
Commissioner

Appendix A (as amended)

Driver	Trip Rate Error (June 2020)	Trip Rate Error (November 2020)	Improper Deductions June 2020	Improper Deductions November 2020	Improper calculation of hours (April 2020, July and August 2021, October 2022 and October 2023)	NSC & Tracker Fee April 1, 2017 to May 31, 2021[1]	PMR[2]	**Total**
PB [3]	$185.20	$100.60	$93.00	$93.00	$0.00	$4,164	$15,768.04	**$20,403.84**
GB[4]	$189.80	$64.80	$93.00	$93.00	$0.00	$4,164	$21,654.86	**$26,259.46**
GD[5]	$47.70	$118.40	$93.00	$93.00	$331.32[6]	$4,164	$24,875.00	**$29,722.42**
GG	$28.20	$104.40	$93.00	$93.00	$975.65	$4,164		**$5,458.25**
Total	**$450.90**	**$388.70**	**$372.00**	**$372.00**	**$1,306.97**	**$16,656.00**	**$62,297.90**	**$81,843.97**

[1] As required by the Original Decision at paragraph 48, drivers were repaid $243.00 for May 2020 and $243.00 for February 2021 for NSC and Tracker fees. As such, these amounts are not included here.
[2] As required by the Original Decision at paragraph 48 PB and GB received $3,192.51 and $3,955.10 respectively for the Missing Trips for February 2021. As such, those amounts are not included here.
[3] PMR calculated for the period of June 2020 to March 14, 2021.
[4] PMR calculated for the period of April 2020 to March 12, 2021.
[5] PMR calculated for the period of April 2020 to April 2021.
[6] Hourly rate includes the FSC rate for April 2020.