



April 04, 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)

Introduction and Background

1. Quality Forest Products Ltd. ("QFP") is a licensee within the meaning of the *Container Trucking Act* (the "Act"). QFP employs a mixture of company drivers and independent operators ("IOs").
2. Under sections 22 and 23 of the *Act*, minimum rates that licensees must pay to truckers who provide container trucking services were first established in the *Container Trucking Regulation* ("Regulation") by the Lieutenant Governor in Council and, subsequently, by the Commissioner ("Rate Order"). Licensees must comply with the established rates. In particular, section 23(2) of the *Act* states:

A licensee who employs or retains a trucker to provide container trucking services must pay the trucker a rate and a fuel surcharge that is not less than the rate and fuel surcharge established under section 22 for those container trucking services.

3. On July 1, 2019, the then-Commissioner amended the Rate Order and established a position movement rate ("PMR") of \$25.00 be paid to each IO paid by the trip for each container movement. The Rate Order also requires that the PMR be separately accounted for on each driver's pay statement.
4. On December 1, 2020, the Office of the BC Container Trucking Commissioner ("OBCCTC") initiated a random audit of QFP to determine compliance with the required rates. QFP was required to provide payroll records in accordance with its CTS licence for the periods of August 2018 and August 2019. During the course of the audit, QFP was required to provide payroll documents for June 2019, February 2020, April 2020, March 2021, April 2021 and June 2021 ("First Document Request").
5. On or around November 18, 2021, the auditor determined that QFP owed drivers amounts totaling \$122,092.35 for work performed between April 1, 2017 and October 15, 2021 ("Outstanding Amount").
6. Following QFP's payment of the Outstanding Amount to its drivers, three QFP IOs (collectively, the "Complainants") advised the OBCCTC that they had independently calculated the PMR owing based on the number of trips identified on their wage statements and found that the amount they had received from QFP was less than what they were owed for the PMR. The auditor reviewed the wage statements provided by the Complainants¹ and noted discrepancies between them and the wage statements provided by QFP in response to the First Document Request.

¹ Wage Statements provided for April 1-15, 2020, April 16-30, 2020, March 1-15, 2021 and April 16-30, 2021.

7. On or around December 14, 2021, two of the Complainants also provided the auditor with their daily driver logs for work they performed between April 2020 and May 2021. The auditor reviewed the two Complainant's daily logs for April 2, 3, 8, 17, 20, 23, 25, 28 and 30, 2020. The Complainants' April daily logs recorded the container number moved, the origin and destination of the container, and the date the container was moved. The auditor compared the Complainants' April daily logs with the corresponding wage statements and driver trip sheets provided by QFP and noted that the Complainants were not compensated for all of the container movements recorded in their April daily logs. In fact, their April daily logs recorded some trips that were not recorded in QFP's records, and for which the drivers had not received a trip rate, PMR or fuel surcharge.
8. On January 25, 2022, the auditor advised QFP that she had compared the driver-provided wage statements and the Complainants' April daily logs and the QFP-provided spot audit statements that she had used to determine the Outstanding Amount and had determined that QFP did not pay the proper PMR. The auditor provided QFP with copies of the driver-provided wage statements and the Complainants' April daily logs and instructed QFP to recalculate amounts owing for the period of April 1, 2020 to May 31, 2021.
9. On March 30, 2022, QFP advised that it had recalculated amounts owing and determined that there was no additional amount owed to the drivers.
10. The auditor left the employment of the OBCCTC on or around March 2022.
11. On June 28, 2022, the then-Commissioner advised QFP that he was closing the audit initiated in December of 2020 as QFP had paid the Outstanding Amount. He further advised that he was initiating a new audit after reviewing the driver-provided wage statements and the Complainants' daily logs. A decision was not issued with respect to the audit initiated in December of 2020.
12. In the same letter, then then-Commissioner required QFP to provide payroll documents for May 2020 and February 2021² ("Audit Period") ("Second Document Request").
13. On May 23, 2023, the auditor submitted an audit report ("2022 Audit Report") concluded the following:
 - a. QFP improperly blended the trip rate with the PMR on each pay statement during the Audit Period.
 - b. QFP owed four IOs a total of \$8,933.94 for improper deductions and failure to pay the regulated rates (trip rates, PMR, fuel surcharge) for the two months of the 2023 Audit Period.
14. QFP was provided an opportunity to respond to the 2022 Audit Report, after which, in Quality Forest Products Ltd. (CTC Decision No. 01/2024) ("Original Decision"), I determined that QFP failed to pay the regulated minimum rate to five truckers, made improper payroll deductions, and failed to pay two truckers the regulated minimum trip rates, PMR and fuel surcharge for certain trips in February 2021. In addition, I found that QFP failed to clearly identify the PMR on each pay statement. An administrative fine of \$5,000 was issued against QFP.

² The initial request was for March 2021 but those records were provided in the First Document Request. The auditor subsequently requested and received payroll records for February 2021.

15. I also ordered QFP to review its payroll records between December 1, 2019 and January 29, 2024 and calculate the following and provide its calculations to the OBCCTC by no later than March 1, 2024:

- a. amounts owing to each IO after separating out the PMR from the trip rate as required by the Rate Order;
- b. amounts owing to all drivers for improper deductions;
- c. amounts owing to each IO who provided a daily log for any missing trips identified after comparison of the driver's daily logs to the corresponding trip sheets.

("2024 Orders")

16. I also ordered QFP to pay a total of \$8,933.94 to four IOs as set out in the 2022 Audit Report.³ QFP paid the four IOs within the specified timeline.

17. On March 1, 2024, QFP emailed the OBCCTC an unsolicited excel file and physically delivered two boxes of payroll records. The auditor attempted to review the excel file but a series of "pop-up errors" prevented her from doing so, rendering the file useless. The auditor spoke with a representative of QFP on April 16, 2024 who indicated that the payroll records were confirmation that QFP had complied with the 2024 Orders and determined no additional money was owed to the drivers. The boxes contained copies of payroll records but no explanation of what the records demonstrated.

Compliance Audit

18. On April 22, 2024, the OBCCTC advised QFP that it required payroll records for June and November 2020, July and August 2021, June and October 2022, October and November 2023 and January 2024 ("Compliance Audit Period") to confirm QFP's compliance with the 2024 Orders.

19. QFP provided some of the required payroll documents on May 6, 2024 but failed to provide timesheets for June 2020, November 2020, October 2022 and October 2023 and January 1-15, 2024 ("Missing Timesheets"). QFP provided excel spreadsheets of trips performed for June and November 2020 only. When the auditor requested the Missing Timesheets on June 7, 2024, QFP advised that the Missing Timesheets had already been submitted.

20. The auditor reviewed the payroll records provided by QFP and determined that the trips rates paid to IOs during the Compliance Audit Period were overall higher than the regulated trip rates but noted QFP again did not separate out the PMR for each trip. In June and November 2020, respectively, IOs were paid \$450.90 and \$388.70 less than the regulated rate when subtracting the \$25.00 PMR from the "blended rate". In addition, the auditor determined that QFP improperly calculated the hours worked by IOs in July and August 2021 due to a mathematical error and the IOs were paid \$742.42 less than the regulated rate as a result. The auditor determined that QFP paid its drivers \$233.52 less than the regulated rates due to missing hours and mathematical errors in October 2022 and October 2023. In October and November 2023 and January 2024, QFP paid its drivers \$69.40 an hour when the regulated rate was \$69.41 per hour, with an immaterial difference owing.

³ This was to be done by February 15, 2024 and QFP was to provide confirmation to the OBCCTC no later than February 21, 2024.

21. The auditor noted that the Missing Timesheets and QFP's failure to include the hourly rate on the wage statements for July 2021 and August 2021, June 2022, October 2022, October and November 2023 and January 2024 hindered her ability to confirm QFP's payment of the correct rates. For the period of January 2024, the auditor was unable to reconcile the driver's daily gross trip rates with the bi-weekly gross totals and the Missing Timesheets made it impossible to determine if the drivers were paid for all the hours they worked.
22. QFP failed to provide any evidence that it calculated the amount owing to its drivers as a result of the improper deductions as required by (b) of the 2024 Orders. The auditor noted that QFP had repaid cargo fees in 2020 but had failed to repay the drivers for the NSC and tracker fees. Given the consistent nature the deductions between April 1, 2017 and May 31, 2021 (when the deductions stopped), the auditor determined the IOs were owed a total of \$18,600.
23. When comparing the Complainants' daily logs to the June and November 2020 excel spreadsheets of their trips provided by QFP, the auditor noted the Complainants' daily logs recorded more trips than the trips provided by QFP. The auditor determined that QFP removed certain trips from each Complainant's wage calculation, inflating the amount of pay for each remaining trip beyond the minimum regulated rate to an amount that resulted in the same gross amount recorded on their wage statements. The auditor concluded that QFP engaged in this manipulation to make it appear that it had "blended" the PMR into the remaining trip rate.
24. Based on the Complainant's evidence that they were not paid the PMR for any of the trips listed in their daily logs and the unreliability of the records provided by QFP, the auditor reviewed the Complainants' daily logs and calculated that they were owed a total of \$43,225.00 for all trips performed between April 2020 (the start dates for each Complainant) and March 2021.
25. The auditor noted that differences in the daily wage totals did not add up to the bi-weekly wage totals in the payroll records provided after December 1, 2022, and that QFP did not appear to have an electronically maintained payroll record system as required under section 6.10 of its CTS license. In addition, while QFP maintained it has trucks "equipped with electronic device" in accordance with section 6.7 of its CTS license, QFP only provided manually entered spreadsheets of total hours worked for October 2023 and January 2024.
26. Finally, the auditor determined that QFP failed to comply with section 27 of Appendix D to Schedule 1 of its CTS license when it failed to list drivers' wage rates on the June and October 2022 wage statements.
27. The auditor prepared an audit report on July 18, 2024 ("Compliance Audit Report") and concluded the following:
 - a. QFP provided inaccessible, incomplete and inaccurate information on March 1, 2024 to demonstrate compliance with the 2024 Orders.
 - b. QFP failed to provide the Missing Timesheets for June 2020, November 2020, October 2022 and October 2023 and January 1-15, 2024.
 - c. QFP did not pay the regulated rates for certain trips performed in June 2020 and

- November 2020 and owed the IOs \$839.60 in wages.
- d. QFP did not pay the IOs for all hours worked in July and August 2021, October 2022, and October 2023 and owed \$975.94.
 - e. QFP paid the IOs \$0.01 less than the regulated rate in October and November 2023 and January 2024.
 - f. QFP failed to repay its drivers for the improper deductions of the NSC and tracker fees and the IOs were owed a total of \$18,600 for the period between April 1, 2017 and May 31, 2021.
 - g. QFP did not have electronic tracking devices in its trucks that recorded drivers' hours of work or electronically generated payroll records for June and October 2022, October and November 2023 and January 2024.
 - h. QFP did not pay the Complainants the PMR between April 2020 (the start dates for each Complainant) and March 2021 for a total amount owing of \$43,225.00.
28. On July 22, 2024, QFP was provided with a copy of the Compliance Audit Report and an opportunity to respond no later than August 21, 2024. QFP provided a response on August 21, 2024 ("First Submission") in which it sought clarification about "inconsistencies" in the Compliance Audit Report's calculations of the number of trips performed. In particular, QFP challenged the auditor's conclusion that on November 16, 2020 one of the Complainants moved six containers and was not paid the PMR instead of the five containers recorded by QFP which showed the PMR being paid. QFP also sought confirmation that the NSC and tracking fees were paid in December 2021.
29. On January 20, 2025, the auditor provided a supplemental audit report ("Supplemental Audit Report") in response to QFP's inquiries. The Supplemental Audit Report compared QFP's records for November 16, 2020 against one of the Complainant's daily log entries for the same date. It states that five of the six container movements listed on Complainant's daily log appear on the trip sheets provided by QFP but that the movement of container TCNU8877389 does not ("Missing Trip"). The auditor calculated that the minimum regulated trip rate for the six container movements recorded on the Complainant's daily logs totals \$847.70. The records provided by QFP show the Complainant was paid \$847.70 for work performed on that date but that the Complainant only moved 5 containers. The auditor demonstrated that removal of the Missing Trip makes it appear that the Complainant was paid a "blended rate" of the minimum regulated trip rate for the five remaining trips and the \$25.00 PMR for each trip. The auditor noted that the wage statement issued by QFP to the Complainant differed from the one provided by QFP to the auditor. The Complainant's wage statement showed he was paid for six container movements on November 16, 2020 and received the minimum regulated rate for the six container movements.
30. The auditor also confirmed that the Outstanding Amount paid by QFP only involved the "cargo fees" deducted – not the NSC charges or the tracker fee deductions between April 1, 2017 and May 31, 2021. The auditor confirmed that QFP owed IOs a total of \$18,600 for improper deductions between April 1, 2017 and May 31, 2021, when the deductions stopped.
31. QFP was provided with a copy of the Supplemental Audit Report on January 20, 2025 and provided an opportunity to respond no later than February 14, 2025.⁴

⁴ The original deadline was January 31, 2025 but on January 27, 2025 QFP requested and was granted an extension to February 14, 2025.

32. QFP provided a response to the Supplemental Audit Report on February 14, 2025 ("Second Submission").

Licensee Response

33. QFP's First Submission generally states that many of the issues raised in the Compliance Audit Report were addressed and resolved in previous audits, including the audit initiated on December 1, 2020.
34. QFP states that it conducted a "self-audit" several times during previous audits and determined that it was compliant with the regulated rates including paying the PMR to the Complainants. QFP also disagrees that any PMR was owed to the Complainants and attempts to demonstrate this using the records of one of the Complainants for November 16, 2020. QFP maintains that the Complainant moved five containers that day and was owed and paid \$125 for PMR. Finally, QFP does not disagree that it was required to repay the drivers for improper deductions for NSC and tracker fees but maintains that those amounts were already paid as part of the Outstanding Amount in 2021.
35. In its Second Submission, QFP restates it request that the OBCCTC "breakdown the trips recorded in the Audit Report for the Complainant." QFP seeks "clarification on any trips that might have been included or excluded in the QFP submissions versus the auditor's records."

Decision

36. I am satisfied that QFP has been provided with sufficient evidence of the case against it and sufficient opportunity to refute or explain any issues raised in the Compliance Audit Report and the Supplemental Audit Report. For the reasons set out below, I believe QFP is engaging in an ongoing strategy to cover up its misconduct and deflect the seriousness of its actions.
37. I do not accept QFP's position that it does not owe any money to these drivers. QFP did not dispute, and I accept the finding in the Compliance Audit Report that QFP breached section 22 and 23 of the Act because:
- a) QFP paid drivers \$450.90 and \$388.70 (total \$839.60) less than the regulated rate in the months of June and November 2020.
 - b) QFP improperly calculated the hours worked by an IO in July and August 2021, October 2022 and October 2023 and paid \$975.94 less than the regulated rate as a result.
38. I am also not persuaded by QFP's mere assertion that it paid its drivers for the improper deductions involving NSC and tracker fees. It would be a simple task for QFP to show the amounts deducted for each driver and the corresponding amount paid to correct its error and yet QFP has provided nothing. I accept the Supplemental Audit Report's conclusion that QFP repaid the "cargo fees" but not the NSC and tracker fees, which total \$18,600.
39. Turning to the Complainants' wages, at paragraph 41 of the Original Decision, I explained why I preferred the Complainants' daily logs over the payroll documentation provided by QFP:

I find the Port Pass Data provided by the VFPA persuasive evidence that the two drivers were at the Port on the days recorded in their respective Daily Logs. If I were to accept QFP's evidence that

each driver did not move the identified containers to the Port on the days recorded by those drivers, I would have to conclude that each driver attended the Port for some purpose other than performing container trucking services during their workday or that the Port Pass Data was corrupted or in error. I do not find either possibility probable. Finally, I am satisfied that the reason QFP was unable to find the Missing Trips in its Database Searches is due to the records having been deleted after one year.

40. QFP's subsequent submissions have not changed my assessment. I reject both of QFP's inconsistent assertions that the Missing Trips (including the Missing Trip on November 16, 2020) were paid to the Complainants and that the Missing Trips did not occur at all. Based on my finding that the Complainant's performed more container moves than recorded on QFP's wage statements, I am left with two possibilities. Either QFP generally paid the PMR to the Complainants but failed to pay the trip rate and PMR and Fuel Surcharge on the Missing Trips or QFP paid the Trip Rates for the Missing Trips but failed to pay any PMR. I find it highly improbable that the regulated rate for the Missing Trip on November 16, 2020, along with the regulated rate for the undisputed trips that day, just happen to equal the undisputed gross amount paid the Complainants for that day, especially because this occurred many times. This would be a tremendous coincidence.
41. On the balance of probabilities, I find that QFP reduced the number of trips recorded on the Complainants' trips sheets and wage statements and then added the "difference" to each remaining paid trip to suggest that the trip rate was "blended" with the PMR and the drivers were paid in accordance with the Rate Order. QFP would have difficulty altering records of the amount of money deposited into the Complainants' bank accounts, but its removal of the Missing Trips allowed it present evidence that it had paid the \$25.00 per trip PMR. This is supported by the wage statement provided by the licensee to the driver for work performed on November 16, 2020 showing he moved six containers. Based on the above, I find that QFP failed to pay the Complainants the PMR between April 1, 2017 and May 31, 2021 and owes the Complainants a total of \$43,225.00 as a result.
42. The auditors involved in the QFP audits had the proverbial "one hand tied behind their back" as they attempted to discover what the drivers were owed in the face of missing records, corrupted data, and manipulated payroll documents. The inability of the auditors to discover the extent of the scheme in a sense benefitted QFP as the administrative penalty issued in the Original Decision was relatively small.
43. However, the Compliance Audit reveals QFP's attempts to mislead by providing missing, incomplete and altered payroll records to falsely demonstrate compliance with the 2024 Orders. Incredibly, despite the Supplemental Audit Report detailing how QFP manipulated the payroll records on November 16, 2020 – a calculation QFP questioned in its First Response -- QFP continues to demand an explanation as to how the auditor came to such a conclusion. It is only because of the auditor's hard work and the Complainants' retention of their daily logs that the true scope of the breaches has been discovered. QFP did not count on some of the IOs keeping their daily logs, which logs I find accurately reflect the origin and destination of each trip and the number of trips performed each day.
44. QFP was ordered in the Original Decision to calculate the regulated rates and PMR for the Missing Trips and provide its calculations to the auditor. At that time, QFP's scheme was not fully understood but it was at least established that it had failed to pay the regulated rate, PMR and fuel surcharge on the Missing Trips. Incredibly, despite this, QFP chose not to calculate the rates for the Missing Trips as ordered and instead insisted it did not owe any additional wages and submitted inaccessible,

incomplete and falsified documents as evidence of its compliance with the 2024 Orders or at least to demonstrate that it did not need to comply with the 2024 Orders.

45. I consider that QFP's continuing requests for clarification and follow up throughout this Compliance Audit (including its demand in its Second Submission for the auditor to explain all her calculations for the PMR) as part of its calculated attempt to continue to hinder and deceive the Commissioner. It is now obvious that QFP "cooked the books" and deprived the Complainants of money they were owed. I find that QFP engaged in continuing deceptive practices to mislead the OBCCTC in a pre-meditated effort to avoid paying drivers the regulated rates.
46. I am also not persuaded that QFP provided the Missing Timesheets to the auditor as required under Appendix B to Schedule 1 of the CTS license. QFP does not provide any evidence of how or when the documents were sent to the auditor. Furthermore, the dates of the Missing Timesheets do not overlap with the First or Second Document Requests so it is unlikely that they were provided under a previous audit request. I also note that Missing Timesheets for October 2023 and January 2024 were supposed to be electronically generated in accordance with section 6.7 of the CTS license and I fail to understand why that material could not be provided again electronically if they were. I find it likelier than not that QFP deliberately withheld the Missing Timesheets in a further attempt to cover up its failure to pay the PMR to the Complainants. Regardless of the motive, I find that QFP was in breach of Appendix B to Schedule 1 of its CTS License when it failed to provide the Missing Timesheets.
47. QFP asserts that its trucks were equipped with electronic tracking equipment, but it has provided only manually entered spreadsheets of the hours worked and payroll data that incorrectly calculates gross daily wages. I find that QFP was not compliant with section 6.7 or 6.10 of its CTS license for the period of the Compliance Audit Period, beginning in December 1, 2022.
48. QFP does not dispute that it failed to record drivers' wages on its wage statements, and I find that such an omission was a breach of Appendix D (4)(f) to Schedule 1 of its CTS license.
49. To recap, I find that QFP is in breach of section 23 of the *Act* as it failed to pay drivers the regulated rates during the Compliance Audit Period in the total amount of \$1,815.54 (\$450.90+ 388.70+\$975.94) and it failed to pay the Complainants the PMR between April 1, 2017 and May 31, 2021 such that it owes the Complainants a total of \$43,225.00. I further find that QFP was not compliant with section 6.7 and 6.10 of its CTS license when it failed to provide electronically generated payroll records and evidence of an electronic device that tracks hours of work. I also find that QFP improperly deducted \$18,600 in NSC 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 find that QFP was in breach of Appendix D to schedule 1 of the CTS license when it failed to provide the Missing Timesheets upon request, failed to record the hourly rate paid to drivers on its wage statements, and failed to provide accurate records.
50. I also find that QFP did not comply with the 2024 Orders and is therefore in breach of section 40 of the *Act*. QFP provided a corrupted excel document and two boxes of documentation that it insisted were evidence that it had reviewed the required records as ordered, that any money owing was previously paid and that it did not owe any additional wages. The materials provided were not in fact evidence of such. Given my finding that QFP manipulated its pay records and given its incoherent explanation for why it does not owe any additional wages, I am not persuaded that QFP took any meaningful steps to comply with the 2024 Orders. The seriousness of QFP's misconduct is increased by the fact that the

auditor determined that QFP in fact owed substantial wages to the drivers after reviewing the records provided for the Compliance Audit Period.

51. In the result and in accordance with section 9 of the *Act*, I hereby give order that QFP pay a total of \$56,637.65 (\$64,383.75 - \$7,746.10 paid in the Original Decision) as outlined in paragraphs 37, 38 and 41 to be distributed between each driver in accordance with Appendix A to this Decision.
52. One outstanding issue that has not been resolved in the Compliance Audit concerns the third Complainant ("GD") who provided wage statements for but not a daily driver log. At paragraph 11 of the Original Decision, I noted that each Complainant provided wage statements recording the number of trips performed to the OBCCTC for April 1-15, 2020, April 16-30, 2020, March 1-15, 2021 and April 16-30, 2021. Based on my finding that QFP provided false documentation, I prefer the evidence submitted by the Complainants. Not having a daily log from the third Complainant does not hinder determining the amount of PMR he is owed. Clearly, the wage statements provided by GD show the number of trips he performed in the pay period and there is no evidence he was paid the PMR for those trips. A simple calculation of the number of trips performed by GD by the PMR amount of \$25.00 will provide the total PMR owing. The challenge is GD did not provide all his wage statements between the period when the PMR was initiated and when QFP correctly started paying the PMR and QFP's wage statements are not reliable. It is likely that QFP has all the original wage statements for GD which would permit the auditor to calculate the PMR owed. I will address below how that issue should be addressed.
53. The seriousness of the available penalties indicates the potential gravity of non-compliance with the *Act*. The *Act* is beneficial legislation intended to ensure that licensees pay their employees and IOs in compliance with the established rates. Licensees must comply with the legislation, as well as the terms and conditions of their licences, and the Commissioner is tasked under the *Act* with investigating and enforcing compliance.
54. In keeping with the above-described purpose of the legislation the factors which will be considered when assessing the appropriate administrative penalty include the following as set out in Smart Choice Transportation Ltd. (OBCCTC Decision No. 21/2016):
 - The seriousness of the respondent's conduct;
 - The harm suffered by drivers as a result of the respondent's conduct;
 - The damage done to the integrity of Container Trucking Industry;
 - The extent to which the licensee was enriched;
 - Factors that mitigate the respondent's conduct;
 - The respondent's past conduct;
 - The need to demonstrate the consequences of inappropriate conduct to those who enjoy the benefits of having a CTS licence;
 - The need to deter licensees from engaging in inappropriate conduct, and
 - Orders made by the Commission in similar circumstances in the past.
55. In assessing an appropriate penalty, I am mindful that QFP was issued an administrative penalty of \$5,000.00 in the Original Decision for similar breaches. Clearly the penalty should be higher for a repeated contravention, and in this case it should be significantly higher for several reasons.

56. Here, a particularly aggravating factor is that QFP continued to produce falsified documents to demonstrate compliance with the 2024 Orders and to convince the Commissioner that it did not owe additional wages to its drivers when it clearly did. Without the Complainants' daily logs, QFP may have been successful. Even when confronted in the Supplemental Audit Report with clear evidence that it did not in fact pay the Complainants for trips as it claimed it did, QFP kept up the ruse and implied the auditor's calculations were in error. I find the only reasonable conclusion based on the evidence before me is that QFP continually attempted to deceive the auditors and underpay its drivers. QFP's calculated attempts to cover up its underpayment of its drivers represent serious misconduct that threatens the integrity of the regulated container trucking industry.
57. QFP's deceptive efforts were not completely unsuccessful as it delayed the audit process and proper payment to the Complainants by several years. If there was ever a case for ensuring a licensee paid interest on amounts owed, this would be the case. Unfortunately, the legislation does not permit the imposition of interest. Despite the auditors' best efforts to ascertain the extent of the breach and the amount of the enrichment, QFP was successful in its manipulation and denial for a significant period of time. It submitted false documentation through different audit periods and still refuses to "come clean." This has clearly disadvantaged its drivers and enriched QFP.
58. Proper record keeping is key to ensuring a licensee is compliant. Improper record keeping usually results in a penalty, and a higher penalty is warranted when a licensee intentionally provides falsified records.⁵ QFP's deceptive practices consumed a substantial amount of the OBCCTC's limited resources over a lengthy period of time. Its auditors spent considerable time and effort to conduct the equivalent of a forensic audit to ensure drivers were correctly compensated. This, in turn, delays the audits of other licensees to ensure those licensees are compliant with the *Act*.
59. The legislation and regulatory regime, including the available penalties under the *Act*, were introduced in order to prevent these very actions. Falsification of records to avoid paying the minimum rates has resulted in penalties ranging from administrative fines between \$40,000 to \$50,000 in AMK Carrier Inc. (CTC Decision No. 03/2020) and Roadstar Transport Company Ltd. (CTC Decision No. 20/2018) to termination of a license (later revised to \$500,000 in administrative penalty) in Gulzar Transport Inc. and Jet Speed Transport Ltd. (CTC Decision No. 12/2019). Monetary penalties for falsification of records are based in part on the amount of money involved. In the case of AMK Carrier the amount was \$3,506. The Roadstar decision does not include the amount owed and eventually paid but I infer from the decision that payment was delayed over four pay periods and therefore the amount was relatively small. In Gulzar and Jet Speed, where the breaches were protracted and the licensees were significantly enriched (in amounts over \$1 million), the administrative penalty was \$500,000.
60. Failure to comply with orders pursuant to section 40 of the *Act* has resulted in monetary penalties and/or licence suspensions in Can. American Enterprises Ltd. (CTC Decision No 12/2020), Pro West Trucking Ltd. (CTC Decision No. 08/2023), and Embassy Transportation Inc. (CTC Decision No. 13/2024).
61. In this case, the amount owing is significant – especially given the delay between the time the wages were earned and when they will be paid. While the amount owing is not at the million-dollar mark as it was in Gulzar and Jet Speed, QFP's deliberate and repetitive deceptive practices are similar to those in the Gulzar and Jet Speed decision above.

⁵ See Roadstar Transport Company Ltd. (CTC Decision No. 20/2018) (Decision Notice) section C.

62. A suspension would certainly be in order in this case as QFP has or should have information in the possession necessary for calculating the PMR owed to GD. In particular, QFP should have the original wage statements provided to GD between July 1, 2019 and May 30, 2021 (except for the pay periods already provided by GD as outlined in para. 56). Given QFP's reluctance to provide GD's original wage statements at any point of the audit process, I find that a suspension of its CTS license until such time as it produces GD's original wage statements or six months, whichever is sooner, is appropriate in order to incentive production.
63. The legislation and regulatory regime, including the available penalties under the *Act*, were introduced in order to prevent these very actions. I have concluded that QFP should receive an administrative penalty of \$100,000.
64. In the result and in accordance with section 34(2) of the *Act*, I hereby give notice that:
- a) I propose to impose an administrative fine against QFP in the amount of \$100,000;
 - b) I propose to suspend QFP's CTS license until such time as it produces GD's original wage statements or six months, whichever is sooner.
65. Should it wish to do so, QFP has 7 days from receipt of this notice to provide the Commissioner with a written response setting out why the proposed penalty should not be imposed.
66. If QFP provides a written response in accordance with the above, I will consider its response and I will provide notice to QFP of my decision to either:
- a. Refrain from imposing any or all of the proposed penalties; or
 - b. Impose any or all of the proposed penalties.
67. This decision will be delivered to QFP and will be published on the OBCCTC's website after QFP's response period has closed (www.obcctc.ca).

Dated at Vancouver, B.C., this 3rd day of April 2025.

A handwritten signature in blue ink, appearing to read 'Glen MacInnes', is written over a light blue horizontal line.

Glen MacInnes
Commissioner