June 12, 2025

Prudential Transportation Ltd. Unit 239 – 8138 128 Street Surrey, BC V3W 1R1

Commissioner's Decision Prudential Transportation Ltd. (CTC Decision No. 17/2025)

Introduction

- 1. Prudential Transportation Ltd. ("Prudential") 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. Prudential 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 Prudential 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 "an OBCCTC decal affixed to a truck pursuant to this Licence." As per section 1(d)(i) of Appendix B to Schedule 1, all Approved Vehicles used by the Licensee for container trucking services must display a Truck Tag to carry out regulated 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:
 - a. enhance visibility of trucks approved to perform regulated CTS work.
 - b. streamline tracking of trucks performing regulated CTS work.
 - c. facilitate off-dock enforcement.
- 6. On October 18, 2023,¹ the OBCCTC issued an Industry Advisory advising licensees that they were responsible to obtain and display the OBCCTC tags.

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

- 7. The OBCCTC has spent significant resources installing OBCCTC decals (tags) on all approved trucks (both company and IO trucks) with multiple opportunities for licensees to ensure trucks performing CTS were properly tagged since the introduction of the OBCCTC tag² in 2023.
- 8. On or about November 27, 2024, the OBCCTC issued Prudential a 2024 CTS licence which came into effect on December 1, 2024.
- 9. On or about November 27, 2024, the OBCCTC advised Prudential to send a representative to pick up its expiry decals (these decals are affixed to the OBCCTC tags and are valid until the expiry of the licence).³
- 10. On or about November 28, 2024, a representative of Prudential picked up the expiry decals that had been allotted to Prudential under its new license and received written instructions to install the OBCCTC expiry decals on each approved truck in Prudential's fleet (both approved company and IO trucks) before December 1, 2024 and was reminded in writing that failure to do so may result in non-compliance with its 2024 CTS Licence.

Investigation

- 11. On March 18, 2025, a container truck without a valid OBCCTC tag was observed traveling along Clarke/ Knight Street in the city of Vancouver. The container truck was identified as Unit P815 and as owned by Independent Operator Mr. Baldev Gill with BC license plate RH0287 ("Impugned Truck").
- 12. On March 24, 2025, the OBCCTC wrote to Prudential regarding the Impugned Truck that appeared to be performing container trucking services without a valid OBCCTC tag.
- 13. Prudential was provided with an opportunity to provide submissions on or before April 7, 2025.
- 14. On March 25, 2025, Prudential provided the OBCCTC the following response:

Hello,

Thank you for your email, guilty as charged.

As an explanation, Mr. Baldev Gill (Truck #815) got his GPS on Dec 11^{Th} 2024 and started with us on Dec 16^{th} , 2024, and we assumed that Mr. Gill already had a valid sticker and never questioned his sticker validity.

Needless to say, this was not intentional on our part but clearly an oversight.

Now we have policy in place that no new I/O's will be dispatched unless someone in our

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

³ Notice of Expiry Decal

office has personally verified that they have a valid OBCCTC sticker before they are put to work.

Thank you for your understanding.

Decision

- 15. As described above, the circumstances of this case are:
 - a. On March 18, 2025, the OBCCTC observed a Prudential truck performing CTS without a valid OBCCTC tag.
 - b. Prudential advised that this was an administrative oversight and that it had since put measures in place to ensure that no new IO will be dispatched unless someone from Prudential's office has personally verified that they have a valid OBCCTC tag before they are put to work.
- 16. 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.
- 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 <u>Smart Choice Transportation Ltd</u>. (OBCCTC Decision No. 21/2016), <u>Goodrich Transport Ltd</u>.
 (OBCCTC Decision No. 06/2023), <u>Maersk Logisitics and Services Canada Inc</u>.
 (OBCCTC Decision No. 07/2025) and <u>Aheer Transportation Ltd</u>. (OBCCTC Decision No. 15/2025):
 - a. The seriousness of the respondent's conduct
 - b. The damage done to the integrity of the Container Trucking Industry
 - c. Factors that mitigate the respondents conduct;
 - d. The need to demonstrate the consequences of inappropriate conduct to those who enjoy the benefits of having a CTS License;
 - e. The need to deter licensees from engaging in inappropriate conduct; and
 - f. Orders made by the Commission in similar circumstances in the past.
- 18. 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.
- 19. In order to address this, 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 awards 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.

- 20. In the present case, Prudential does not dispute that it failed to display a valid OBCCTC tag.
- 21. I note that Prudential immediately took steps to correct its non-compliance and put measures in place to ensure that all trucks performing regulated container trucking services display a valid OBCCTC tag. This is a mitigating factor.
- 22. On the other hand, when a Prudential 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-compliant.
- 23. Additionally, the requirement to use only tagged trucks existed in Prudential's previous CTS licence. The OBCCTC has been for many years issuing bulletins and industry advisories to licensees on this requirement. Around the time the 2024 licences were awarded the OBCCTC issued several communications, including on social media,⁴ to remind licensees that they were required to ensure the new expiry decals were adhered to the trucks before December 1, 2024.
- 24. While Mr. Gill was sponsored after December 1, 2024, Prudential was aware of its responsibility to ensure that all trucks performing regulated CTS work displayed a valid OBCCTC tag, yet had not done so for 13 weeks after adding the IO truck to its fleet.
- 25. Like all licensees, Prudential is responsible for knowing its obligations under the legislation and its licence, including ensuring that vehicles performing regulated container trucking services are properly tagged. I find that Prudential breached the 2024 CTS licence when it operated a truck without displaying a valid OBCCTC decal on March 18, 2025.
- 26. In this case, I did not find any breach of the *Act, Regulation* or term of the licensee related to payments of renumeration and the maximum administrative fine here is \$10,000.
- 27. For the reasons above, I have found that Prudential was in breach of section 1(d)(i) of Appendix B to Schedule 1 of its CTS Licence and have concluded that an administrative penalty of \$500 is appropriate.
- 28. It should be clear to all licensees that all regulated 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.
- 29. Considering all the factors present in this case, I conclude that this is an appropriate case to issue a penalty of \$500.

⁴ Various Facebook posts from November 14, 2023 to November 18, 2024.

- 30. 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 Prudential in the amount of \$500.
 - b. Should it wish to do so, Prudential 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 Prudential provides a written response in accordance with the above, I will consider its response, and I will provide notice to Prudential 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

31. In summary, Prudential 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 tag on March 18, 2025. I have determined that it is appropriate to propose of a \$500 penalty.

Dated at Vancouver, BC this 12th day of June 2025.

Karm Jauhal

Deputy Commissioner