September 08, 2025

Vicinity Transportation Ltd. 13426 Cedar Way Maple Ridge, BC V4R 2T4

Vicinity Transportation Ltd. (CTC Decision No. 22/2025) – Decision Notice

- 1. In Vicinity Transportation Ltd. ("Vicinity") was in breach of section 6.7 of its CTS license when it failed to have equipment in its trucks to track the number of hours worked and trips performed between December 1, 2022 and November 2024; I also found Vicinity had failed to pay three company drivers the daily overtime rate in June 2023 and February 2024 in breach of section 22 of the Act, and paid independent operators ("IO") who normally are paid by the trip an hourly rate when moving containers for a particular customer in contravention of section 1(i) of Appendix A of the CTS license. I proposed an administrative penalty of \$7,000.
- 2. At paragraph 42 (b) (d) of the Decision I made the following orders, to be complied with no later than 30 days of the date of the Decision, with proof of payment to be provided to the OBCCTC Registrar no later than 45 days of the date of the Decision:
 - b) I order Vicinity to pay the three company drivers identified in the Audit Report a total sum of \$1,389.98 for daily overtime earned in June 2023 and February 2024;
 - c) I order Vicinity to review its payroll records between May 1, 2023 (the date the overtime rates became effective) to the date of this decision (except for the pay periods in June 2023 and February 2024) to ensure that it is compliant with the overtime rates set out in the Rate Order and to make the appropriate payments to its drivers to bring itself into compliance; and
 - d) I order Vicinity to review its payroll records as they relate to the Hourly Work and pay the difference between the compensation paid to the IO in each pay period and the amount that should have been paid (inclusive of trip rate, PMR and fuel surcharge) for each trip performed.

(collectively the "Orders")

- 3. Consistent with s. 34(2) of the *Act*, Vicinity was given seven days to provide written response to the proposed penalty in the Decision.
- 4. On August 18, 2025, the counsel for Vicinity provided a response.
- 5. I have considered Vicinity's response to the Decision and provide the following Decision Notice.

Licensee's Response

6. Vicinity does not dispute the proposed penalty of \$7,000 and restates that it accepts responsibility for the breaches identified in the Decision. However, Vicinity seeks a 180-day extension to comply with the

order set out in paragraph 41(d) of the Decision due to lack of staff to facilitate the review and because it is in the process of hiring a new staff member who will need to be trained in order to calculate the amounts owing.

- 7. Vicinity also seeks to limit the scope of the paragraph 41(d) order to between June 1, 2020, and July 1, 2022 (the "Restricted Audit Period"). It does so on the basis that paragraph 14 of the Decision notes that the hourly payment to IOs in July 2022, January 2023, June 2023 and February 2024 exceeded the trip rates. Alternatively, Vicinity argues that if it is required by the paragraph 41(d) order to review payroll records after July 1, 2022, any underpayments to drivers made as a result of the hybrid compensation scheme should be offset by any overpayments made after July 1, 2022.
- 8. Vicinity also provided statements from various drivers indicating they were satisfied with the hybrid method of compensation and feel they were treated fairly.

Consideration of Licensee's Response

- 9. Vicinity does not dispute the proposed penalty and having carefully considered Vicinity's submissions, and for the reasons set out in the Decision, I order Vicinity to pay an administrative fine of \$7,000.
- 10. I consider Vicinity's request to limit its payroll review to the Restricted Audit Period reasonable given the auditor's analysis that showed IOs were paid more than the trips rates in the months audited after July 1, 2022. As I have agreed to limit the payroll review to the period proposed by Vicinity, I do not need to address its alternative argument that any "overpayments" after July 1, 2022 should offset any underpayments before July 1, 2022 or the drivers' statements that they were satisfied with the arrangement. I will note, however, that such requests regarding over and underpayments are generally not granted and it is trite law that the protections created by the *Act* are minimum requirements and cannot be waived or contracted out of such that statements such as those from Vicinity's drivers are not generally helpful.
- 11. Based on the above, I will amend the order set out in paragraph 42(d) of the Decision as follows:
 - I order Vicinity to review its payroll records between June 1, 2020 and June 30, 2022 (inclusive) as they relate to the Hourly Work and pay the difference between the compensation paid to the IO in each pay period and the amount that should have been paid (inclusive of trip rate, PMR and fuel surcharge) for each trip performed.
- 12. Regarding Vicinity's request for an extension of nearly six months to comply with (the now-amended) paragraph 42(d) of the Decision my primary concern is the delay in payment to the drivers, and the *Act* does not allow for any interest to be added to make them whole for the missing wages. However, I am willing to modify the deadline somewhat in light of Vicinity's efforts to hire a staff person to complete the calculations. I note too that the licensee will need less time in light of my decision to limit the scope of the payroll review for the paragraph 42(d) order. For these reasons I will amend the deadline to comply with the paragraph 42(d) order only as follows:

The order set out in paragraph 41(d) of the Decision (as amended) must be completed no later than 90 days after the date of the Decision and Vicinity must provide calculations and proof of payment to the Registrar no later than 120 days after the date of the Decision.

Conclusion

- 13. I order Vicinity to pay an administrative fine of \$7,000 and I have amended the order at paragraph 41(d) of the Decision and the deadline to comply with the Orders as set out above.
- 14. Section 35(2) of the *Act* requires this fine to be paid within 30 days of the issuance of this Decision Notice.
- 15. Vicinity 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.
- 16. Despite the filing of a Notice of Reconsideration, but subject to section 39(2) of the *Act*, the above orders remain in effect until the reconsideration application is determined.
- 17. This Decision Notice along with the Commissioner's Decision will be published on the Commissioner's website.

Dated at Vancouver, B.C., this 8th day of September 2025.

Glen MacInnes Commissioner