November 28, 2025

Canada Drayage Inc.
1375 Kingsway Ave
Port Coquitlam, BC V3C 1S2

Commissioner's Decision
Canada Drayage Inc. (CTC Decision No. 37/2025)
(Application for Reconsideration of CTC Decision No. 26/2025)

Introduction

1. On November 14, 2025, the Office of the British Columbia Container Trucking Commissioner ("OBCCTC") received an application from Canada Drayage Inc. ("CDI") pursuant to section 38 of the *Container Trucking Act* ("*Act*") seeking reconsideration of a September 29, 2025 Decision Notice (CTC Decision No. 26/2025) ("Decision Notice") and August 5, 2025 Commissioner's Decision (CTC Decision No. 26/2025) ("Decision").

Commissioner's Decision and Decision Notice

2. In the Decision, I found that on or around January 8, 2025, CDI moved three containers ("Impugned Containers") between facilities in the Lower Mainland in breach of sections 6.16 and 6.17 of its 2024 CTS licence and failed to provide to the OBCCTC payroll documents ("Required Records") in accordance with Appendix D of the 2024 CTS licence by the extended deadline of March 31, 2025. Based on CDI's breaches of its licence, I proposed an administrative penalty of $10,000 and a licence suspension of six months, or until such time as CDI provided the Required Records. Consistent with s. 34(2) of the *Act*, CDI was provided with the prescribed seven days to respond.

3. After considering CDI's submissions in response to the Decision, in the Decision Notice I imposed a $10,000 administrative fine to be paid within 30 days and ordered that CDI's licence be suspended effective one week after the Reconsideration Decision was issued in Canada Drayage Inc. (CTC Decision No. 33/2025) (Reconsideration of CTC Decision No. 18/2025) ("CDI #1) for a period of six months or until it provides the Required Records, whichever is sooner.

4. The Commissioner's Decision and the Decision Notice were published on or around September 29, 2025.

5. CDI requested and was granted two separate extensions until November 14, 2025 to file an application for reconsideration. On November 12, 2025, CDI requested a further extension for an unspecified period of time to file an application for reconsideration but was denied. In

correspondence dated November 12, 2025, I advised CDI that it could file an application for reconsideration with the understanding that the reconsideration application could be supplemented as contemplated by section 38(4) of the *Act* and I would consider any supplemented submission filed by November 20, 2025. I also advised CDI that it may also wish to consider applying for a stay of the suspension pursuant to section 39(2) of the *Act*.

6. CDI provided a response ("Submission") by the November 14, 2025 deadline in the Decision Notice. CDI did not provide a supplemental submission and did not apply for a stay of the suspension pursuant to section 39(2) of the *Act.*

7. On November 17, 2025, while this reconsideration and the reconsideration in CDI #1 were before me, CDI wrote to advise that it intends to "surrender" its CTS licence effective December 19, 2025 and that on or before that date it will "no longer perform any prescribed container trucking services as defined in section 16 of the *Container Trucking Act*." CDI also advised that it would pay the administrative fines issued in the Decision Notice and in the CTC Decision No. 18/2025 – Decision Notice forthwith without prejudice to its right to seek judicial reviews in the event it chooses to do so.

8. The CDI #1 Reconsideration Decision was published on November 19, 2025 and the effective date of the suspension imposed there is November 27, 2025.

Reconsideration

9. CDI argues that the Commissioner has a flawed interpretation of the *Act, Regulation* and the CTS licence and lacks jurisdiction to issue the Decision, to require CDI to produce the Required Records and to penalize CDI for moving Impugned Containers and the container moves were "non-prescribed" container trucking services. CDI also argues, for the first time, that the Impugned Containers were moved by the non-licensed subsidiary of CDI, Canada Drayage (B.C.) Inc. ("Subsidiary") and therefore the Commissioner has "no jurisdiction whatsoever over non-licensees." CDI also argues that the administrative penalties are outside the time period set out in section 34(1) of the *Act* and the penalties are inconsistent with the factors set out in Smart Choice Transportation Ltd. (CTC Decision No. 21/2016).

Flawed Interpretation of the Act and Regulation

10. According to CDI, the regulatory regime only applies when a licensee is carrying out the "prescribed container trucking services" in a "prescribed area" as set out in s. 16 of the *Act* and defined in section 2(1) of the *Regulation* such that "section 16 of the *Act* obligates a licensee to comply with the *Act, Regulation* and CTS Licence only when performing these prescribed services" and the "administrative orders of the Commissioner setting off-dock rates are *ultra vires* sections 22 or 44 of the *Act* because the *Act* as a whole does not purport to regulate off-dock services."[1]

[1] Submission, page 5.

11. CDI argues that because the Impugned Containers did not travel to or from a marine terminal they are not "prescribed container trucking services" and the Commissioner cannot compel CDI to produce the Required Records. In addition, CDI argues that requiring licensees to use tagged trucks and pay the minimum regulated rates "is unsupported by the *Act* and inconsistent with its purpose: addressing labour disruptions affecting marine terminal operations, not regulating all container movements in the Lower Mainland."[2]

12. I am not persuaded that off-dock trips are "excluded" from the definition of "container trucking services" through section 2 of the *Regulation* or that the approach applied in CDI's case is inconsistent with the purpose of the *Act.* Similar arguments were considered in Can. American Enterprises Ltd. (CTC Decision No. 12/2020) – Decision Notice, Simard Westlink Inc. (CTC Decision No.09/2023) – Commissioner's Decision, KD Truckline Ltd. (CTC Decision No. 11/2024) – Commissioner's Decision and Canada Drayage Inc. (CTC Decision No. 33/2025) – Reconsideration of CTC Decision No. 18/2025). I agree with the approach taken in those decisions.

13. The *Act* authorizes the regulation of off-dock container trucking services performed by licensees. It broadly regulates "container trucking services" within British Columbia and empowers the Lieutenant Governor in Council ("LGIC") to determine those "prescribed" container trucking services and the "prescribed" area that require a "container trucking services" licence and to establish the rates that the licensee must pay for "specified" container trucking services. The *Act* (specifically section 16) does not restrict the license requirement to container trucking services that require access to a marine terminal. The *Act* (specifically section 22) does not restrict the LGIC (and then the Commissioner) from requiring licensees to pay a regulated rate for other than "prescribed" container trucking services.

14. In other words, I do not accept CDI's argument that because the *Act* does not regulate off-dock services the rates set for off-dock trips in the Rate Order are *ultra vires* the *Act*. The *Act* regulates both on-dock and off-dock container trucking services for licensees.

15. Section 2 of the *Regulation* defines the container trucking services prescribed for the purposes of section 16(1) as on-dock container services and the "prescribed area" as the Lower Mainland. Section 16(1)(a) does not use the adjective "prescribed" to qualify "container trucking services" but uses the adjective "specified prescribed" to qualify "area." The difference in the wording within section 16(1)("prescribed container trucking services") and section 16(1)(a) ("container trucking services") indicates that the legislature did not intend limit the container trucking service licence described in section 16(1)(a) to the "prescribed" container trucking service described in section 16(1). I also find that the adjective "the" in section 16(1)(b) is referring to the broader "container trucking service" in section 16(1)(a) given the sequential numbering.

16. To summarize, section 16(1) of the *Act* states that a person cannot carry out "prescribed" (on-dock) container trucking services" in a "prescribed area"(Lower Mainland) unless they hold a licence that gives them permission to perform "container trucking services" (on-dock and off-dock) and person carries out "the" (on-dock and off-dock) container trucking service in compliance with the *Act,*

[2] Submission, page 5.

licence, and any order issued to the person under the *Act*.

17. Statutes are construed contextually, in accordance with their overall purposes, and where a statute and regulation form an integrated scheme to achieve a particular object, as they do here, review of the regulation can assist in determining the legislative purpose: *Aheer Transportation Ltd. v. OBCCTC* 2018 BCCA 210 at paras 47-48. Section 22(1)(d) of the *Act* permits the by the LGIC by regulation to "specify which container trucking services or which parts of the container trucking services constitute a trip" to which rate applies. The LGIC defined both on-dock and off-dock trips in section 1 of the *Regulation*, required licensees to pay minimum rates for off-dock trips in sections (now-repealed) 12(3) and specified those rates in Schedule 1. Section 19 of the now-repealed *Regulation* required licensees to pay drivers retroactively to April 3, 2014 for container trucking services, including, pursuant to s. 19(3), independent operators "for any on-dock or off-dock trip." The Commissioner's Rate Order now sets the rates for both on-dock and off-dock work as contemplated by section 22(3).

18. The September 25, 2014 Vince Ready and Corrine Bell Report ("Ready/Bell Report") noted that prior to the introduction of the *Act* on-dock rates were set through the port while off-dock work was not regulated and that "without adequate compensation (for off-dock movements) this is a significant concern as it directly impacts independent owner-operators, especially those who spend considerable time moving containers at off-dock facilities." Ready/Bell noted that the 2014 Joint Action Plan ("JAP") (the multi-party agreement that ended the labour dispute predating the introduction of the *Act*) called for off-dock rates but remained concerned that "undercutting and gamesmanship" would continue and "companies and drivers will seek to find loopholes in the proposed wage system."[3]

19. By definition, all off-dock moves between facilities in the Lower Mainland exclude marine terminals. If CDI's interpretation were correct, it would make the off-dock rates meaningless as no container movement would ever attract an off-dock rate. The suggestion that the regulatory regime is only intended to address companies that move containers moving to or from the marine terminals ("on-dock trips") is inconsistent with the JAP that specifically committed to introducing an "off-dock" rate of pay and inconsistent with the Ready/Bell Report which recommended including a specific dollar amount for off-dock rates to ensure drivers were properly compensated. It is also inconsistent with the provision of the *Act* that allows for the introduction of minimum rates beyond the "prescribed container trucking services" and the implementation and retroactive payment of the off-dock rates in the *Regulation* as passed first by the LGIC, and the off-dock rates later ordered by the Commissioner.

20. I am also not persuaded that the "unequal treatment [of licensed and unlicensed companies] is unsupported by the *Act.*" In Forfar Enterprises Ltd. (CTC Decision No. 20/2016) the licensee similarly argued that the movement of containers between rail yards and customer locations in the Lower Mainland was not captured by the *Act* and was unfair as other companies that perform the same off-dock moves are "not subject to CTC rates and regulation."[4] Commissioner MacPhail confirmed that containers in the Lower Mainland that do not transit through a marine terminal are

[3] Ready Bell Report, section D - Rates of Pay.
[4] Forfar, para 14

within the scope of the *Act* because "the legislation makes the payment of the legislated rates a term of the privilege of holding a TLS license. In return for being licensed to perform on-dock container trucking work, the licensed trucking company must comply with the legislation, including required pay rates for all work falling within the scope of the legislation" (para 35). I made a similar point that licensees benefit in ways not afforded to non-licensees in Simard Westlink Inc. (CTC Decision No. 09/2023) - Commissioner Decision (August 25, 2023) at paragraph 40 and KD Truckline Ltd. (CTC Decision No. 16/2025) – Reconsideration (June 5, 2025) at paragraph 67. Canada Drayage Inc. (CTC Decision No. 33/2025) – Reconsideration (November 19, 2025) at paragraph 19. CDI's reconsideration submissions have not convinced me to change this analysis here.

Non-licensee moved Impugned Containers

21. Alternatively, or in addition, CDI argues that it only performs "prescribed container trucking services, or on-dock trips,"[5] and the Subsidiary moved the Impugned Containers on January 8, 2025. Because the Subsidiary is a non-licensee, it was not required to display truck tags and was entitled to perform "off-dock" container trucking services without a license. Furthermore, the Commissioner has "no lawful authority to compel CDI, the licensee, to produce records relating to work performed by a separate unlicensed company" (e.g. the Subsidiary).

22. Other than counsel's mere assertion, I was provided no evidence the Subsidiary moved the Impugned Containers on January 8, 2025. As I outlined at paragraph 13 of the Decision, an investigation report dated January 23, 2025 with accompanying photographs was provided to CDI indicating that "the Impugned Containers appear to be 'containers' that were moved between two 'facilities' as 'off-dock trips' by untagged trucks operated by CDI" (emphasis added). At paragraph 23 of the Decision, I found that CDI did not challenge the material facts outlined in the Investigation Report (which included accompanying contemporaneous photographs). I note that the photographs attached to the Investigation Report clearly indicate "Canada Drayage Inc." and not the name of the Subsidiary on the side of the trucks. Furthermore, CDI did not dispute my finding that it moved the Impugned Containers in its response to the Decision. Based on the above, I am not persuaded that the Subsidiary moved the Impugned Containers.

23. Regardless, even if the Subsidiary did move the Impugned Containers, sections 6.2 and 6.3 of the CTS licence prohibit a licensee from subcontracting container trucking work to or from any non-licensees. This would include an "agreement, arrangement or understanding" that CDI will perform "on-dock work" and the non-licensed Subsidiary will perform off-dock work in the Lower Mainland. CDI's late-in-the-day suggestion that it has structured its operations so as to benefit from its near-exclusive access to a marine terminal without using tagged trucks (and likely paying drivers less than the regulated "off-dock" rates) is exactly why such "loopholes" were closed off in the 2022 and 2024 CTS licence.

Required Records

24. I am not persuaded that CDI is not required to provide the Required Records because the Impugned Containers were not covered by the *Act*. I have set out above why I find that the Impugned Container moves are captured by the *Act*.

[5] Submission, page 5.

25. I am also not persuaded that CDI would not be required to provide Required Records even if the Impugned Containers were moved by its Subsidiary (which I do not accept in any event). Appendix E of the CTS licence requires a licensee to "remunerate all Truckers who either directly or indirectly provide Container Trucking Services on behalf of the Licensee" in accordance with the *Act* and *Regulation.* Appendix D(B)(1) of the CTS licence requires CDI to maintain and provide the Required Records for "Licensees, Related Persons, affiliates, and successor companies" and the Subsidiary would be captured under this requirement. Indeed, the Subsidiary was listed on CDI's 2024 licence application as a Related Person. Such a requirement is necessary to ensure that the licensee is complying with the terms and conditions of its licence and that drivers – including those moving off-dock containers on behalf of CDI – are paid the regulated rates.

Outside Mandatory Time Limit

26. CDI restates its prior argument that the administrative penalties are outside the six-month time limit established under section 34(1) of the *Act* because findings of non-compliance were made more than six months before the Decision was issued on August 5, 2025. CDI says the findings were made January 8 or 23, 2025, with the result that the Commissioner had only until July 2025 to impose a penalty.

27. I addressed this argument in paragraphs 27 to 33 of the Decision Notice. CDI's reconsideration submission is largely a restatement of its prior arguments and has therefore not changed my conclusions on this issue.

Smart Choice Factors

28. CDI argues that the Commissioner did not properly consider CDI's "good faith, reasonable and defensible reasons" for not producing the Required Records as a mitigating factor as outlined in Smart Choice Transportation Ltd. (CTC Decision No. 21/2016). Specifically, CDI argues it has not "flippantly ignored the CTC's request to produce the Records" and several of the reasons it raised for noncompliance were similarly invoked by the petitioner in *Simard Westlink Inc. v. Office of the Briths Columbia Container Trucking Commissioner*, 2025 BCSC 2178.

29. CDI also argues that a $10,000 administrative penalty and a six-month license suspension is inconsistent with the penalties issued in similar decisions. Specifically, CDI identifies that each of the licensees in Aheer Transportation Ltd. (CTC Decision No. 15/2025), Forfar Enterprises Ltd. (CTC Decision No. 13/2025), HAP Enterprises Ltd. (CTC Decision No. 07/2024), and ADP Transport Ltd. (CTC Decision No. 06/2024) failed to display truck tags or failed to provide similar required documents and were issued administrative penalties of less than $10,000 and no suspension was imposed.

30. At paragraphs 45 to 52 of the Decision, I explained why I considered the proposed administrative penalties were consistent with the principles set out in Smart Choice.

31. I am not persuaded that CDI's "good faith" reasons for failing to comply with the requirements set out in its licence are mitigating factors. CDI is required, as a condition of its license, to provide the

information upon request (and those of its Related Persons). CDI's refusal to provide the Required Records has hindered the Commissioner's ability to determine if the drivers involved were paid the regulated rates and the quantum of any monies that may be owing to them. In the Simard case, which went to judicial review, the licensee provided the Required Records and also advanced its legal arguments. It was open to CDI to do the same – but it was not open to CDI to refuse to comply with a condition of its licence. Finally, CDI was also aware of the OBCCTC's position that CDI must pay the regulated rates when moving containers to and from facilities (including rail yards) and the OBCCTC's position was well known prior to the request for the audit in 2022.[6]

32. I am also not persuaded that the administrative penalty in this case is inconsistent with the penalties issued in the cases cited by CDI. In this case, the penalty was imposed because CDI failed to use tagged trucks to move the Impugned Containers and failed to provide any of the Required Records. One of the things that distinguishes the cases cited by CDI and this case is that each of the licensees in those other cases either provided or eventually provided the records in question. In Aheer, the licensee was issued an administrative fine for failing to display a truck tag but provided the records requested and was issued a $3,000 penalty. In Forfar, the licensee had complied with the order to calculate wages owed to drivers by the time of decision so there was no need to suspend its licence. In HAP, the licensee was issued an $8,000 penalty for moving a container between facilities using untagged vehicles but provided the records requested. ADP provided the required documents except the trip sheets that it said no longer existed and was issued a $5,000 penalty. I am not persuaded that a $10,000 penalty is inconsistent with the cases cited by CDI given that it has refused to provide any of the Required Records as well as used untagged trucks to move containers in breach of its licence.

33. The refusal to provide the Required Records must be considered in the context of the OBCCTC's ability to ensure those drivers get paid what they are due. In the other cases cited by CDI, where amounts were owed to drivers, they were capable of being quantified based on the information provided whereas the amount owing to CDI drivers generally is unknown because CDI is refusing to produce any information. The suspension is necessary to ensure that the drivers are paid the minimum regulated rates.

34. CDI is correct that some of the issues it has raised were also raised in the Simard CTC decisions. However, Simard's judicial review of its reconsideration decision has now been dismissed.

Conclusion

35. For the reasons set out above, I dismiss CDI's application for reconsideration and confirm the administrative fine of $10,000 and the suspension of CDI's license for a period of six months or until it provides the Required Records – whichever is first.

36. The Decision Notice ordered that CDI's licence be suspended effective one week after the CDI #1 Reconsideration Decision was issued. As stated above, CDI was invited but did not request a stay of the licence suspension in this case. The CDI #1 Reconsideration was issued on November 19,

[6] Decision, para. 37 and Canada Drayage Inc. (CTC Decision No. 33/2025) – Reconsideration (November 19, 2025) para 34.

2025. Accordingly, the licence suspension in this case is effective November 27, 2025 at 12:01am (which is also the effective date of the suspension in CDI #1).

37. The Decision Notice also imposed an administrative fine to be paid within 30 days of the Decision Notice and CDI did not seek a suspension of the fine payment order. CDI has advised it will be paying the fine forthwith. The Decision Notice is dated September 29, 2025, such that payment is overdue.

This reconsideration will be published on the Commissioner's website.

Dated at Vancouver, B.C., this 28th day of November 2025.

Glen MacInnes
Commissioner