January 14, 2026

Canadian National Transportation Ltd.
17569 104 Avenue
Surrey, BC V4N 3M4

Commissioner's Decision
Canadian National Transportation Ltd. (CTC Decision No. 01/2026)

Introduction

1. Canadian National Transportation Ltd. ("CNTL") is a company performing prescribed container trucking services within the meaning of section 16 of the *Container Trucking Act* (the "*Act*") and is a licensee.

2. Under sections 22 and 23 of the *Act,* minimum rates that licensees must pay to truckers who provide specified container trucking services are established by the Commissioner via the Rate Order and licensees must comply with those statutorily established rates. Section 23(2) 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. CNTL currently operates under a container trucking services ("CTS") licence that came into force on December 1, 2024 ("2024 CTS licence"). Section 6.16 of the CTS licence states: "The Licensee 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 requires licensees to assign a truck tag to each truck performing on-dock and off-dock container trucking services in the Lower Mainland. Section 6.22 requires a licensee to retain employees or Sponsored Independent Operators ("IO") to perform regulated container trucking services.

4. Under section 31 of the *Act*, the Commissioner may conduct an audit or investigation to ensure compliance with the *Act,* the *Container Trucking Regulation* (the "*Regulation*"*)* or licence.

5. Section 34 of the *Act* provides that, if the Commissioner is satisfied that a licensee has failed to comply with the *Act* or 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*, an administrative fine for a contravention relating to the payment of remuneration, wait time

remuneration or fuel surcharge can be an amount up to $500,000. In any other case, an administrative fine may not exceed $10,000.

6. In 2019, the Commissioner accepted an auditor's findings that CNTL did not pay its drivers as prescribed in the *Regulation* but found that the drivers' overall compensation met or exceeded the minimum regulated rates when their compensation package was considered in its totality. Normally when a licensee is found to be compliant with an audit, an audit completion letter is issued. In this case, I am unclear why Canadian National Transportation Ltd. (CTC Decision No. 02/2019) ("2019 CNTL Decision") was issued.

Complaint

7. In December 2025, the Office of the BC Container Trucking Commissioner ("OBCCTC") initiated an investigation pursuant to section 31 of the *Act* after receiving a complaint and accompanying photographs and electronic records that two untagged trucks owned or operated by CNTL were performing regulated container trucking services between two different facilities within the Lower Mainland as follows:

    - On or around December 1, 2025, CNTL unit BV166, ("Unit BV166") moved container OOCU7050513 ("Impugned Container #1") from CN Rail Intermodal to Abbotsford, BC. ("Impugned Trip #1)
    - On or around December 7, 2025, CNTL truck unit BV212 ("Unit BV212") moved container CAIU7348957 ("Impugned Container #2") from the CN Rail Intermodal to Abbotsford, BC. ("Impugned Trip #2)

    (collectively the "Impugned Containers" and "Impugned Trips")

Investigation Report

8. On December 9, 2025, the OBCCTC advised CNTL that it had begun an investigation into whether the container movements observed on December 1 and 7, 2025 were in breach of the requirement that licensees carry out container trucking services within the Lower Mainland using tagged trucks ("Investigation Report").

9. The Investigation Report sets out the regulatory definitions of "container trucking services," "container," "facility," and "off-dock trip" and includes copies of dispatch records and photographs of the Impugned Containers provided by the complainant on December 1 and 7, 2025 and data gathered from a container tracking website[1] and the Canadian National terminal database showing the ownership of the Impugned Containers on or around December 1 and 7, 2025. It advises that the Impugned Containers appear to be "containers" that were moved between two "facilities" as

[1] www.bic-code.org

"off-dock trips" by untagged trucks operated by CNTL.

10. CNTL was also reminded of and provided a copy of correspondence from me to CNTL on February 7, 2023 responding to its February 6, 2023 email correspondence regarding the application of the *Act* and *Regulation* to the movement of "domestic containers." In my correspondence of February 7, 2023, I advised CNTL that I do not agree that the *Regulation* or the 2019 CNTL Decision support the concept of "domestic containers" and "whenever there is a dispute about whether a container falls under the *Act* the facts will be compared to the *Regulation*'s definition of a container." I attached in the same letter an excerpt from the former Commissioner's Industry Advisory (May 18, 2022) that was explicit that containers that were moved to and from railyards in the Lower Mainland were captured by the *Act.*

11. The Investigation Report provided CNTL with an opportunity to provide a submission on whether the Impugned Containers were covered by the *Act*, *Regulation* and CTS licence and also requested payroll records and trip sheets for the drivers moving the Impugned Containers on December 1 and 7, 2025 ("Requested Records"). The deadline to provide a submission and the Requested Records was December 22, 2025.

12. CNTL provided the Requested Records and a submission by the deadline.

Licensee Response

13. CNTL disputes that the Impugned Containers (and by extension the Impugned Trips) are regulated by the *Act* because they "were loaded by a customer off our Intermodal Terminal in Edmonton, Alberta, the containers then traveled via rail to our Intermodal Terminal in Surrey, British Columbia where they were then delivered loaded to our customer in Abbotsford, British Columbia, where they were emptied." CNTL further explains that the empty Impugned Containers were returned to the Intermodal Terminal in Surrey, BC and then "assigned to tagged trucks and returned empty to their final empty disposition location."

14. CNTL maintains that Impugned Trips "are not considered to be container trucking services because these moves are associated with a movement of a container by rail therefore are not off-dock moves directly related to regulated on-dock moves as advised at page #3 Item#13 Bullet #2" of the 2019 CNTL Decision and paraphrased in the Commissioner's October 30, 2020 correspondence to CNTL following receipt of complaints about the licensee performing untagged off-dock movements.

15. CNTL asks that the "investigation be discontinued" and maintains that it is in compliance with the *Act.*

Decision

16. While CNTL challenges the application of the *Act, Regulation,* and CTS license to the Impugned Containers, it does not dispute the material facts set out in the Investigation Report regarding the movement of the Impugned Containers on December 1 and 7, 2025.

17. For the reasons that follow, I find CNTL breached sections 6.16 and 6.17 and s. 6.22 of its CTS licence when it retained IOs without valid sponsorship agreements and used untagged trucks to move the Impugned Containers on December 1 and 7, 2025.

Application of 2019 CNTL Decision and October 30, 2020 Letter to Impugned Containers

18. I am not persuaded that the 2019 CNTL Decision and the October 30, 2020 letter exclude the application of the *Act* and the CTS licence to containers moved by to and from rail yards in the Lower Mainland. Nor do I believe that CNTL should be able to rely on something akin to the defense of "officially induced error" because it argues that it relied on information it received from the former Commissioner several years ago.

19. To the extent that CNTL is suggesting it is entitled to rely on the 2019 CNTL Decision, I adopt paragraphs 44 to 46 from KD Truckline Ltd. (CTC Decision No. 16/2025) - Reconsideration of CTC Decision No. 11/2024).

20. The relevant sections of the October 30, 2020 letter, which paraphrase paragraph 13 of the 2019 CNTL Decision, are as follows:

    - The movement of retail containers (53-foot containers that come into the CN Vancouver Intermodal Terminal (17560 104th Ave.)) on rail, are off-loaded and delivered locally by truck. These containers are CN owned and each has container numbers that start with CNRU are not to be considered container trucking services as they are movements of containers which are not furnished or approved by an ocean carrier for the marine transportation of goods; and

    - The movement of empty overseas containers (marine containers that travel on rail to the CN Vancouver Intermodal Terminal and are then emptied and delivered by truck to a private container storage yard) are not considered to be container trucking services because these moves are associated with a movement of a container by rail and therefore are not off-dock moves directly related to regulated on-dock moves;

21. At paragraph 45 of KD Truckline Ltd. (CTC Decision No. 16/2025) - Reconsideration, I addressed the same passage from the 2019 CNTL Decision as follows:

> As the CNTL decision does not include any analysis of why the former Commissioner

> determined that the "movement of empty overseas containers" were not "off-dock moves" if they were not directly associated with on-dock moves, I am not convinced that the former Commissioner came to that conclusion based on an application of the *Act* or *Regulation*.

22. I adopt the same analysis here and I am not persuaded that the October 30, 2020 letter provides any further explanation of how the former Commissioner arrived at such a conclusion. The regulatory definition of "off-dock trip" only requires "one movement of one or more containers by a trucker" and does not qualify that an "off-dock trip" must be "directly" related to an "on-dock trip" or include an exception for those container movements "associated with a movement by rail."

23. I grant that the former Commissioner's October 30, 2020 letter appears inconsistent with the bulletin issued on April 17, 2020 correcting confusion caused by the 2019 CNTL Decision (clarifying and reinforcing the former Commissioner's position that all container movements to and from a rail yard were to be performed by tagged trucks). However, the Commissioner's statements in the October 30, 2020 letter were made more than five years ago and are equivocal: the Commissioner uses the terms "empty overseas containers" and "associated with rail movements" and "private storage yard" – terms not used in the *Act* or *Regulation* – which are not relevant to whether a container is a "container" or whether it was moved between "facilities" in the Lower Mainland.

24. Another issue with CNTL's reliance on these passages is that the Impugned Containers in the current investigation are not "53-foot containers" identified with the prefix "CNRU." Rather, the Impugned Containers were 40-foot containers with prefix CAIU and OOCU.

25. I also note that in the following decisions and orders I have cited correspondence between the former Commissioner and the respective licensees in which the former Commissioner determined that container movements similar to those involved in the Impugned Trips were captured by the *Act* and *Regulation.*

26. In Provincial Transportation Ltd. (CTC Decision No. 20/2025) – Commissioner's Decision, the licensee also argued that similar containers and container movements were not regulated by the *Act* and *Regulation* based on its interpretation of the 2019 CN Rail Decision. At paragraphs 26 and 27, I cited the following two scenarios put to the former Commissioner, who subsequently advised the licensee in a March 31, 2020 letter that they were captured by the *Act* and *Regulation* and attracted the regulated rates:

    a. Empty ocean containers going from CN/CP to an Off Dock location (Delco, Coast, Harbourlink, etc)
    b. Loaded ocean containers that are picked up at CN/CP and taken to a customer where the container is unloaded and then loaded and returned to an Off Dock location.

27. In KD Truckline Ltd. (CTC Decision No. 16/2025) – Reconsideration, and Canada Drayage Inc. (CTC Decision No. 18/2025) – Commissioner's Decision, I noted too that the former Commissioner wrote to each licensee on April 20, 2020 to confirm that they must pay the regulated minimum rates when moving containers to and from CN and CP intermodal rail yards.[2]

28. In the November 29, 2024 Order to comply with the *Container Trucking Act* and Container Trucking Services Licence issued to Canada Drayage Inc., I noted that Commissioner Crawford in a March 21, 2022 letter to Canada Drayage Inc. agreed that the following scenarios involving the movement of containers that arrived in the Lower Mainland by rail and were unloaded at facilities similar to those involved in the Impugned Trips are captured by the *Act*, *Regulation* and licence.[3]

Scenario 1

a. Truck driver picks up a container at a customer location or a container terminal in the Lower Mainland
b. Container is moved by truck to CDI property in Port Coquitlam
c. Container is unloaded at CDI property in Port Coquitlam and is then reloaded
d. Container is moved by truck to Canadian Pacific Rail's ("CP") Intermodal Facility at 17900 Kennedy Road in Pitt Meadows and is put on rail bound for a location in eastern Canada

Scenario 2

a. Truck driver picks up a container at CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows
b. Container is moved by truck to a customer location in the Lower Mainland
c. Container is unloaded at customer location in the Lower Mainland
d. Empty container is moved by truck to CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows or to an off-dock container storage facility in the Lower Mainland
e. The container is then moved from CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows (by rail) or from an off-dock container storage facility in the Lower Mainland by truck to a port terminal (via pick up and reload) for transport by an ocean carrier on the ocean

Work Type 1

a. Container Freight Station ("CFS") warehouse containers arrive by rail at CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows[4]

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[2] Paragraphs 47 to 49 and paragraph 37 respectively.

[3] Commissioner's letter dated March 21, 2022 to CDI as cited at paragraph Notice of Order against Canada Drayage Inc. to comply with the *Container Trucking Act* and Container Trucking Services Licence, November 29, 2024, paragraphs 8-9.

[4] In the former Commissioner's March 21 letter "CFS" stands for container freight station. A container freight station is "a warehouse that specializes in the consolidation and deconsolidation of cargo."

b. Truck driver picks up the CFS warehouse container at CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows
c. CFS warehouse container is moved by truck to CDI property in Port Coquitlam where the CFS warehouse container is unloaded and returned to CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows

Work Type 2

a. Containers arrive by rail at CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows
b. Truck driver picks up the container at CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows
c. Container is moved by truck to a location in the Lower Mainland where the container is unloaded and returned to CP Rail's Intermodal Facility at 17900 Kennedy Road in Pitt Meadows.

29. He then issued the May 18, 2022 industry advisory referenced in my February 7, 2023 letter to CNTL warning licensees that containers moved to and from a rail facility attracted a regulated rate without qualifying that they must be "associated" with an on-dock trip (however that it interpreted).

30. The 2019 CNTL Decision was limited within the decision itself and has been limited in subsequent decisions. At paragraphs 29 to 30 of the 2019 CNTL Decision, the former Commissioner expressly confined his instructions to the auditor to the circumstances of that particular audit because of its unique circumstances concerning the different pay structure established by a national collective agreement. Additionally, at paragraph 81 of KD Truckline Ltd. (CTC Decision No. 11/2024) -- Commissioner's Decision, I found that it was unreasonable for KD to rely on the 2019 CNTL Decision in light of the April 17, 2020 industry advisory warning licensees not to rely on the 2019 CNTL Decision and clarifying that the *Act* and *Regulation* provide that "any move to and from these facilities [CN and CP Intermodal] qualify as an off-dock move" and that licensees must pay the required off-dock rate."

31. At the very least, if CNTL believed that the October 30, 2020 letter allowed it to rely on the very decision that industry had been told in the April 17, 2020 bulletin not to rely on, it would have been prudent to seek independent legal advice or clarity from the Commissioner about the conflicting information. Additionally, and importantly, subsequent industry bulletins and advisories have confirmed that all containers moved to and from a rail yard must be moved by tagged trucks and paid the regulated rates, including the industry advisory issued on May 22, 2022 as referenced in my February 7, 2023 correspondence to CNTL.

32. Even if I accepted CNTL's submission that the previous Commissioner applied the *Act* differently, and although consistency is important, there is no rule of law that an administrative tribunal must

follow prior decisions: see *Canada (Minister of Citizenship and Immigration) v. Vavilov*, 2019 SCC 65 para 129. Of course, the facts before a decision-maker and possibly evolving policy will also inform decisions.

33. Finally, I have a statutory obligation to enforce the *Act.* As I indicated in my February 7, 2023 correspondence to CNTL, I will determine the facts in this case against the relevant regulatory definitions and the legislative scheme as a whole, and I do not find the equivocal and situational statements made by the former Commissioner over five years ago to be relevant.

Application of the Act, Regulation and CTS Licence to the Impugned Containers

34. The application of the *Act*, *Regulation* and the CTS licence to "containers" moved by a licensee in the Lower Mainland that do not immediately transit through a marine terminal – like the Impugned Containers in this case -- has been extensively canvassed in previous decisions, industry advisories and bulletins and a recent judicial review. My decision here is consistent with those more recent decisions and advisories.

35. In Forfar Enterprises Ltd. (CTC Decision No. 20/2016) – Decision Notice, Commissioner MacPhail found that the inclusion of off-dock rates in the *Regulation* was consistent with his interpretation of the *Act* as applying to the movement of containers that did not travel directly to or from a marine terminal. There, also, the licensee argued that the movement of containers between rail yards and customer locations in the Lower Mainland was not captured bythe *Act.* The former Commissioner confirmed that containers moved from rail yards to customers in the Lower Mainland are 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."

36. In Can American Enterprises Ltd. (CTC Decision No. 12/2020) – Decision Notice, Commissioner Crawford did not agree with the licensee's interpretation that the container trucking services prescribed in section 2 of the *Regulation* are container trucking services that require access to a marine terminal and that container trucking services that do not require access to a marine terminal do not attract the regulated rate. At paragraph 11, the former Commissioner found that the relationship between section 16 of the *Act* and section 2 of the *Regulation* only determined which type of container trucking service required a licence, but it did not limit what specified container trucking services were covered by the container trucking services.

37. At paragraphs 72 to 79 and 58-64, respectively, of Simard Westlink Inc. (CTC Decision No. 04/2024) - Reconsideration of CTC Decision No.09/2023,[5] I expressly addressed the argument that there

[5] Petition for judicial review dismissed 2025 BCSC 2178.

must be some connection between a marine terminal and the off-dock move and determined that the exclusion of "marine terminal" from the regulatory definition of "facility" supported the broader interpretation of "for shipping" to mean "for transportation" more generally.

38. At paragraphs 13 to 19 of Canada Drayage Inc. (CTC Decision No. 37/2025) – Reconsideration of CTC Decision No. 26/25, I noted that the *Act* broadly regulates "container trucking services" and section 16 of the *Act* does not limit the *Regulation* or the CTS license to the "prescribed" container trucking service established by the Lieutenant Governor in Council.

39. At paragraph 21 of KD Truckline Ltd. (CTC Decision No. 16/2025) - Reconsideration of CTC Decision No. 11/2024, I determined my interpretation of "container" was in accordance with section 8 of the *Interpretation Act* R.S.B.C. 1996 c.238 and consistent with the remedial purposes of the *Act.*

40. In Forfar Enterprises Ltd. (CTC Decision No. 20/2016) a former Commissioner stated that "containers which are identified by a 4 letter identification codes consistent with containers, 'furnished or approved by an ocean carrier for the marine transportation of goods' are to be presumed to be 'containers' as defined in the *Regulation*." He went on to say that "where containers are so identified, the onus lies with the licensee to rebut this presumption." In Simard Westlink Inc. (CTC Decision No. 09/2023) – Commissioner's Decision, and KD Truckline Ltd. (CTC Decision No.11/2024) – Commissioner's Decision, I adopted the *Forfar* analysis and expanded some of the indices of a container to include:

    - a valid CSC Plate issued in accordance with the International Convention for Safe Containers as adopted by the International Maritime Organization which permits the container to be used for the marine shipment of goods.
    - Containers or similar containers having been observed or identified as being on an ocean vessel in close proximity to the dates they were in the Lower Mainland.
    - Ownership by companies in the business of shipping containers by ocean or supplying containers to companies that do.

41. I adopt the analyses in Forfar Enterprises Ltd., Simard Westlink Inc., and KD Truckline Ltd. in this case.

42. The Impugned Containers (prefixes OOCU and CAIU) have four letter identification prefixes that evidence ownership by certain ocean carriers engaged in the marine transportation of goods. The photographs attached to the Investigation Report show metal boxes consistent with those "furnished or approved by an ocean carrier for the marine transportation of goods." The ownership of the Impugned Containers suggests they are "furnished or approved by an ocean carrier for the marine transportation of goods." These indices give rise to the presumption that the Impugned Containers are "containers" and, since CNTL has failed to rebut the presumption, I find

that the Impugned Containers are "containers" as defined in the *Regulation.*

43. The definition of "facility" includes rail yards and locations like the origin and destination of the Impugned Containers as containers are "stored," "loaded," "unloaded," "transloaded," "repaired," "cleaned," maintained" or "prepared" for shipping and any such "off-dock trip" performed by a licensee must be performed by a tagged truck. The Impugned Containers were loaded at the CN Rail Yard and, upon delivery to the customer in Abbotsford, were either "stored" or "unloaded" such that the locations in Abbotsford also meet the definition of a "facility."

44. As the Impugned Containers meet the definition of "container" in the *Regulation*, and as the locations between which CNTL was moving those containers are "facilities" in the Lower Mainland, I find CNTL was performing "container trucking services" on December 1 and 7, 2025. CNTL does not dispute that it used trucks to move the Impugned Containers and those trucks did not have truck tags.

45. Based on the above, I find CNTL was in breach of section 6.16 and 6.17 of its 2024 CTS license when it performed container trucking services on December 1 and 7, 2025 with trucks that did not have an assigned truck tag.

Additional Trips subject to Act

46. Based on the trip sheets and wage statements provided, the one-way container trips performed by Unit BV166 on December 1, 2025 and Unit BV212 on December 7, 2025 are set out below.

47. On December 1, 2025, the driver of Unit BV166 ("S.D.") moved the following containers (bolded is Impugned Trip #1):

Container #	**Origin Zone**	**Destination Zone**
FCIU901606	S	R
CNRU238361	R	S
CAIU445307	B	R
OOCU705051	**R**	**B**
CCBU541030	G	R
CNRU289689	G	R
CNRU289689	R	G

48. On December 7, 2025, the driver of Unit BV212 ("S.R.") moved the following containers (boldded is Impugned Trip #2):

Container #	Origin Zone	Destination Zone
CNRU287756	G	R
CNRU284695	H	R
CNRU287722	R	H
CAIU734895	**R**	**B**
CDAU817053	U	R
EMHU275068	R	U
CNRU240714	G	R
CNRU241669	R	G

*zone R in the Rate Order includes CN Vancouver Intermodal

49. I apply the analysis set out in the paragraphs above to determine if any other containers moved by units BV166 and BV212 on the applicable dates are also captured by the *Regulation* --specifically, those containers with the prefixes CNRU, CCBU, EMHU, CDAU, FCIU.

50. In the October 30, 2020 letter, containers with the prefix CNRU were identified as being 53 foot containers and were "not to be considered container trucking services as they are movements of containers which are not furnished or approved by an ocean carrier for the marine transportation of goods." At paragraph 53 of Simard Westlink Inc. (CTC Decision No. 04/2024) -- Reconsideration of CTC Decision No.09/2023, I stated that a container's dimensions are not necessarily relevant to whether a container is "furnished or approved by an ocean carrier for the marine transportation of goods" and set out some the indicia of a "container" under the *Act*. However, containers with the prefix CNRU are not listed in the bic-code.org database ("BIC Code")[6] and do not appear to have travelled on any ocean carriers. It has appeared during OBCCTC field enforcement campaigns that these containers do not have the CSC plate necessary to be accepted onto an ocean carrier. I accept that the movement of the 53-foot containers with the prefix CNRU are not captured by the *Act*.

51. Containers with the prefix CCBU and EMHU do not appear to meet the regulatory definition of container. Neither are prefixes known to the OBCCTC as associated with containers that are normally transported through a marine terminal. I can find no record of those prefixes with BIC or indications that they have recently traveled by ocean carrier. In addition, the complainant did not provide any photographs of these containers so I cannot consider the presence of CSC plate.. Based on the information before me, I am unable find that these containers are "furnished or approved by an ocean carrier for the marine transportation of goods."

52. At paragraph 82 of Simard Westlink Inc. (CTC Decision No. 04/2024) –Reconsideration of CTC Decision No.09/2023, I explained how 53-foot containers have historically been built and used

[6] Bureau International des Containers (BIC) is affiliated it the International Maritime Organization and maintains a registry of all the prefixes assigned to ocean containers and their owners: www.bic-code.org.

exclusively in North America for the shipment of goods by rail and truck and may therefore not have qualified as "containers" under the *Act* but that overseas manufacturers have more recently began building and selling differently constructed 53-foot containers into the North American market, which containers are capable of ocean transport. At paragraph 31, I specifically noted evidence that Canadian Tire only uses the CSC plate on its 53-foot containers (with the prefix CDAU) to move the containers "laden out of China" and they "do not keep the certification valid" after the containers arrive in North America. On this basis I was satisfied that containers with the CDAU prefix can be used for marine transportation of goods but that where a licensee has demonstrated that the CSC certification "is no longer valid" containers were no longer "containers" for the reasons set out in paragraph 57. I was provided with no such evidence in this case about container CDAU817053 moved on December 7, 2025. CNTL failed to rebut the presumption that the container with the CDAU prefix moved on December 7, 2025, has been furnished or approved by ocean carriers for the marine transportation of goods.

53. Containers with the prefix FCIU are identified through BIC as being owned by ocean carriers and are commonly identified by other licensees as being used in the marine transportation of goods. Additionally, according to the container tracking site www.searates.com, container FCIU901606 arrived at the port of Vancouver on November 1, 2025 via ocean vessel MSC SAVONA from Busan, South Korea which confirms that the container is approved by an ocean carrier for the marine transportation of goods.

54. At paragraph 41, I determined Impugned Container #2 (CAIU prefix) was a regulated container and I find that the container with the prefix CAIU moved by Unit BV166 on December 1, 2025 is a regulated container for the same reasons.

55. The origin and destination of the **bolded** containers in paragraph 56 below[7] are locations within the Lower Mainland where containers are "stored," "loaded," "unloaded," "trans-loaded," "repaired," "cleaned," "maintained" or "prepared" for shipping and therefore are "facilities."

56. Based on the above, I find that the following **bolded** containers were regulated containers moved by truck between facilities and CNTL was required to use a tagged truck:

    Unit BV166

Container #	Origin Zone	Destination Zone
FCIU901606	**S**	**R**
CNRU238361	R	S

[7] The trip sheets for each driver indicated customer addresses or identifiers or commonly used terms for the origin and destination. Those names and addresses have been replaced with the associated zone used in the Rate Order.

CAIU445307	**B**	**R**
OOCU705051	**R**	**B**
CCBU541030	G	R
CNRU289689	G	R
CNRU289689	R	G

Unit BV212:

Container #	Origin Zone	Destination Zone
CNRU287756	G	R
CNRU284695	H	R
CNRU287722	R	H
CAIU734895	**R**	**B**
CDAU817053	**U**	**R**
EMHU275068	R	U
CNRU240714	G	R
CNRU241669	R	G

Non-Sponsored IOs

57. Section 6.22 of the 2024 CTS licence requires licensees to retain IOs through a sponsorship agreement and section 5 of the sponsorship agreement states that those sponsored IOs must be on the Commissioner's IO List ("IO List").

58. Based on the OBCCTC records, there does not appear to have been any sponsorship agreement between CNTL and the drivers of Units BV166 and BV212 and those drivers were not on the IO List as required and I find that CNTL was in breach of section 6.22 for this reason.

59. The sponsorship agreement ensures licensees are using IOs from the Commissioner's IO List which helps the OBCCTC to manage the number of drivers retained by licensees, ensure licensees are paying the IO the regulated rates, and ensures that company drivers are not being required to convert to IOs.

Calculation of Wages

60. In Canadian National Transportation Ltd. (CTC Decision 02/2019), the Commissioner noted that the truckers retained by CNTL are covered by a national collective agreement that determines their compensation. In this case, CNTL provided information about compensation similar to the information provided to the Commissioner in 2019. Section 23(3) of the *Act* explicitly states that a licensee must pay the regulated rates to drivers performing regulated container trucking services "despite any provision of a collective agreement to the contrary."

61. Reviewing CNTL's pay records and considering CNTL's input will take time. My immediate concern are the complaints the OBCCTC has received both before and after the Investigation Report and, given its response, CNTL appears to be under a misapprehension about which containers are required to be moved by tagged trucks. Accordingly, the investigator will initiate a full audit to determine if CNTL is paying the regulated rates for the movement of containers captured by the *Act* and when the audit is complete another Commissioner's Decision will be issued and the Commissioner may propose a separate administrative fine.

Proposed Penalty

62. The seriousness of the available penalties indicates the gravity of non-compliance with the *Act*, *Regulation* and CTS license. 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 license, and the Commissioner is tasked under the *Act* with investigating and enforcing compliance.

63. 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 of its 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*, an administrative fine may not exceed $500,000 in cases relating to the payment of remuneration, wait time remuneration or fuel surcharge. In any other case an administrative fine may not exceed $10,000.

64. 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.

65. In 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 extensively outlined the historical context and application of the legislative scheme that allowed a small number of companies to have exclusive and stable access to marine terminals in the Lower Mainland. I adopt those analyses here and find that CNTL's failure to use tagged trucks and sponsored IOs to move regulated containers threatens the stability and access enjoyed by those very same companies.

66. In Tri-R Transport Ltd. (CTC Decision No. 03/2023), Goodrich Transport Ltd. (CTC Decision No. 06/2023), Ferndale Transport Ltd. (CTC Decision No. 07/2023) West Coast Freight (CTC Decision No. 15/2023), and HAP Enterprises Ltd. (CTC Decision No. 07/2024), I outlined the historical reasons for and the practical importance of each licensed truck performing container trucking services having a truck tag. Truck tags are important for enforcement and performance-tracking purposes and licensees who use untagged trucks hinder the OBCCTC's mandate to ensure stability in the industry.

67. The Commissioner has included sections 6.16 and 6.17 in the licence in part in order to match the number of trucks to the available work – and thus prevent the rate undercutting resulting from too many trucks chasing too few containers that contributed to previous labour disputes. The requirement to use a truck tag on each approved vehicle also ensures that only approved vehicles are performing regulated container trucking services and allows the Commissioner to keep track of the number of vehicles doing so. CNTL had two extra trucks performing container trucking services on the dates in question which upsets the Commissioner's ability to balance the available work and the number of trucks.

68. Section 6.22 has been included in the licence for similar reasons. At paragraph 49 of Simard Westlink Inc. (CTC Decision No.09/2023) – Commissioner's Decision, I found the licensee in breach of its licence for using the services of an IO without a sponsorship agreement who was not on the IO List. At paragraphs 15 and 16 of Jete's Lumber Company Ltd. (CTC Decision No 12/2023), I noted the purpose of the IO List is to match and manage the number of IOs with the number of available IO truck tags and thereby prevent the undercutting that will likely occur if there are too many IOs in the regulated drayage sector.

69. CNTL used unsponsored IOs and untagged trucks to perform regulated container trucking services on December 1 and 7 in breach of its licence. The result was that the OBCCTC was unaware of certain container movements and of CNTL's use of the unsponsored IOs, which hinders enforcement for the reasons and in the decisions referenced above. Given that the trips sheets provided show that the drivers moved containers with prefixes identifying them as "regulated containers," it is reasonable to assume that CNTL has previously moved similar regulated containers in other pay periods using untagged trucks. I find that this calls for an administrative penalty.

70. In previous decisions where licensees have used untagged trucks to perform container trucking services administrative fines have ranged from $500 to $12,000 largely based on whether the driver of the untagged truck was paid the regulated rate.

71. In this case, for the reasons outlined in paragraph 61, a separate audit will determine if CNTL has paid the regulated rates. The proposed penalty in this case only addresses the breach of sections 6.16, 6.16 and 6.22 of the 2024 CTS license. If it is determined that CNTL was in breach of section 23 of the *Act* (Compliance with established rate), or any other provisions of the *Act, Regulation,* or CTS licence, a separate administrative penalty may be proposed..

72. The maximum administrative penalty I can impose is $10,000. Based on CNTL's failure to use tagged trucks to perform container trucking services and its retention of two IOs who are not on the IO list and are not sponsored to move the regulated containers on December 1 and 7, 2025, I propose an administrative penalty of $7,000.00.

73. The size of this fine is higher than in those decisions involving only the use of untagged trucks and lower than those where it was determined that wages were owed. It is meant to deter CNTL against moving containers between facilities (especially rail yards) using untagged trucks. CNTL has done so despite the repeated industry bulletins and subsequent decisions that advise otherwise. The proposed penalty is also meant as a general deterrent. I have also considered that CNTL has not been previously found in breach of the *Act*.

74. Considering all the factors present in this case, I conclude that this is an appropriate case to issue a penalty. Therefore, in accordance with section 34(2) of the *Act,* I hereby give notice that I propose to impose an administrative fine against CNTL in the amount of $7,000.00.

75. Should it wish to do so, CNTL 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.

76. If CNTL provides a written response in accordance with the above I will consider its response, and I will provide notice to CNTL of my decision to either:

    a. Refrain from imposing any or all of the penalty; or
    b. Impose any or all of the proposed penalty.

Conclusion

77. The container trip logs provided by CNTL appear to show untagged trucks generally moving containers with the prefix CNRU and these do not appear to be "containers" under the *Regulation* for reasons outlined in paragraph 50 of this decision. Moving unregulated (e.g. CNRU) containers or moving "containers" directly between a facility in the Lower Mainland and a location outside the

Lower Mainland does not require a truck tag or a sponsorship agreement. However, if CNTL – or any licensee – moves a regulated (e.g. with prefixes CAIU, FCIU, OOCU, etc.) container between facilities in the Lower Mainland, it must use a tagged truck and a sponsored IO and pay the regulated rates. If CNTL is unable or unwilling to restructure its operations so that it is using tagged trucks to move regulated containers and wants to use untagged units to move regulated containers between facilities in the Lower Mainland, it will be required to apply for additional truck tags at the appropriate time. Either way, CNTL must bring itself into compliance.

78. In summary, CNTL has been found to have violated its licence by performing container trucking services in the Lower Mainland with untagged trucks and using unsponsored IOs on December 1 and 7, 2025. A separate audit of CNTL's payroll will determine if it is compliant with section 23 of the *Act.*

79. This decision and will be delivered to the licensee and published on the Commissioner's website (www.obcctc.ca) after a Decision Notice has been issued.

Dated at Vancouver, B.C. this the 14th day of January 2026.

Glen MacInnes
Commissioner