



## **United Truckers Association**

PO Box 97197 RPO Scottsdale Mall,  
Delta, BC V4E 0A2  
T. 604.499.8400 E. uta@unitedtruckers.ca

### **Submission to the Office of the BC Container Trucking Commissioner**

#### **Re: Proposed changes to the 2026 CTS Licence**

**Dated:** February 2026

#### **Executive Summary**

The United Truckers Association (UTA) welcomes the opportunity to provide submissions on the proposed changes to the 2026 Container Trucking Services (CTS) Licence. UTA acknowledges that many of the proposed amendments represent a positive and necessary step toward improving transparency, compliance, and stability within the container trucking industry.

At the same time, UTA submits that several structural and operational issues continue to affect Independent Operators (I/Os) in ways that are not fully addressed by the proposed Licence changes alone. These include persistent gaps in compensation transparency, the use of internal truck-age policies that undermine Sponsorship Agreements, the misuse of collective agreements to obscure or avoid regulated rates, erosion of the protective purpose of the I/O list through Section 24 nominations, and an over-reliance on reactive enforcement mechanisms.

UTA further submits that the effectiveness of the proposed CTS Licence must be assessed in conjunction with the Truck Tag Management Policy, which plays a decisive role in determining access to work. While the numerical balance between I/O and Company Driver tags is an important safeguard, disparities in tag utilization have resulted in materially unequal access to work, contributing to underemployment and economic instability for Independent Operators.

These submissions are intended to support the OBCCTC's mandate by identifying targeted, practical areas where clarity, guardrails, and alignment can improve compliance outcomes, reduce disputes, and better protect truckers while preserving regulatory flexibility and industry stability.

#### **Background and Stakeholder Perspective**

UTA is a non-profit organization representing a significant portion of Independent Operators working in the Lower Mainland container trucking sector. UTA's membership consists primarily of experienced owner-operators who have invested substantial capital in equipment, have operated under multiple regulatory regimes, and have supported the industry through periods of economic volatility, congestion, and regulatory transition.

Independent Operators are uniquely affected by the design and implementation of the CTS Licence and related policies. Their income stability, access to work, and long-term viability are directly shaped by licensing conditions, tag allocation and utilization, sponsorship arrangements, and the transparency of compensation and rate compliance. Unlike large Licensees, Independent Operators have limited ability to absorb prolonged periods of underutilization, underpayment, or regulatory ambiguity.

UTA's submissions are informed by long-standing industry experience, member feedback, and direct engagement with recurring issues that arise under the current framework. The intent of these submissions is not to oppose reform, but to ensure that the proposed 2026 CTS Licence operates fairly and effectively in practice, particularly given its longer licence term and its impact on the economic security of Independent Operators.

## Key Concerns

### 1. **Truck Age Policies and Sponsorship Agreement Integrity**

UTA and its membership raise a continuing concern regarding the use of arbitrary truck-age policies by certain licensees and the absence of clear regulatory direction on this issue within the CTS Licence framework.

Under the Container Trucking Act and Regulations, a Sponsorship Agreement requires that an Independent Operator operate an **"Approved Vehicle."** The statutory definition of an Approved Vehicle does not include any age requirement. Compliance is based on approval and safety standards, not on the truck's age.

Despite this, some licensees have imposed internal truck-age policies and used them as a basis to threaten termination, suspension, or loss of work, even where an Independent Operator is operating an Approved Vehicle. This issue has been raised previously with the OBCCTC.

In at least one instance, your office is well-aware of an internally imposed truck-age policy (despite the vehicle meeting the definition of an Approved Vehicle) being relied upon to terminate a dozen I/Os during the licence term, illustrating how such policies, lacking a regulatory basis, can be susceptible to misuse to advance unrelated agendas, including retaliatory responses to union-related activity.

UTA submits that where a licensee has entered into a Sponsorship Agreement with an Independent Operator operating an Approved Vehicle, the unilateral imposition of truck-age requirements, particularly where accompanied by threats of termination or lay-off, is inconsistent with the Sponsorship Agreement framework and undermines the regulatory scheme established by the Act and Regulations.

It is not the intent of the Container Trucking Act, nor the mandate of the OBCCTC, to permit licensees to shift capital and financial risk onto Independent Operators by compelling the purchase of newer vehicles through internal policy. Ambiguity in regulatory guidance has allowed some licensees to exploit this gap.

The UTA submits that the issue of arbitrary truck-age policies can be addressed directly and effectively through **Appendix A of the CTS Licence**. Clear direction in Appendix A would eliminate ambiguity and prevent the use of truck-age policies as a form of economic pressure on Independent Operators. The UTA proposes the following clause to be added to the Prohibited Practices in Appendix A:

**“A licensee must not impose or enforce truck-age requirements, or use age-based vehicle policies, to deny work, suspend, or terminate an Independent Operator who is operating an Approved Vehicle in compliance with the Container Trucking Act and Regulations.”**

## **2. Compensation and Transparency.**

The proposed amendment to the definition of “Compensation” is welcomed, as it aligns with the intent of the Container Trucking Act and supports the objectives of the 2014 Joint Action Plan, which requires wait time remuneration to be paid to all Independent Operators engaged in container trucking services.

However, while the obligation to pay wait time exists, **a persistent issue across the industry is the lack of consistent and transparent disclosure** regarding how wait time is calculated and paid. At present, only a limited number of licensees provide detailed wage statements that clearly show what wait time has accrued on a given trip and how the corresponding payment has been calculated. As a result, many Independent Operators are unable to independently verify whether they have been fully and accurately compensated.

UTA and its membership submit that the CTS Licence should **require licensees to provide clear and comprehensive disclosure of wait time remuneration** through electronic wage statements. At a minimum, wage statements should identify:

- The amount of wait time accumulated for each trip, and
- The specific payment amount owed and paid in respect of that wait time.

Improved transparency would enable Independent Operators to better understand and verify their compensation, reduce disputes and uncertainty, and support voluntary compliance by licensees. It would also assist the OBCCTC by reducing the volume of wait time-related complaints and the need for reactive audits and investigations, which remain common in the industry. Clear, standardized disclosure of wait time payments is therefore an essential compliance tool and an important safeguard against the underpayment of Independent Operators.

## **3. Payment of Regulated Rates and Use of Collective Agreements**

UTA and its membership raise a significant concern regarding the use of collective bargaining agreements by some licensees in a manner that has, in practice, resulted in the underpayment of regulated rates required under the OBCCTC framework.

While collective bargaining agreements are a recognized feature of the industry, they cannot be used to circumvent or override the obligation to pay rates set or regulated by the OBCCTC. Past experience within the industry has demonstrated that insufficient oversight and enforcement in this area can lead to prolonged periods of systemic underpayment affecting a large number of Independent Operators. UTA would like to point out its persistent efforts to bring the OBCCTC’s attention to this issue, not for the purpose of revisiting past conduct, but to highlight the real and lasting impacts that weak enforcement can have on truckers across the sector.

For many years, Independent Operators experienced underpayment of regulated rates with limited or no effective recourse, resulting in significant financial harm and erosion of confidence in the regulatory system. This experience underscores the need for stronger, clearer enforcement mechanisms to ensure that all licensees comply with regulated rate obligations, regardless of the existence or structure of any collective agreement.

Given that the proposed 2026 CTS Licence would operate for the longest licensing period to date i.e. three (3) years, it is essential that clear and robust guardrails be in place from the outset. UTA submits that the licensing framework should require greater transparency around collective agreements and ensure that licensees cannot rely on such agreements to obscure, dilute, or avoid their obligation to pay regulated rates to Independent Operators.

UTA further submits that **regulated rates must be treated as non-negotiable and strictly enforced**. Where a licensee is found to have materially underpaid regulated rates, such conduct should attract strong and immediate regulatory consequences. Where a licensee, whether directly or through a collective agreement, pays rates below those regulated by the OBCCTC, UTA submits that **such conduct should disqualify that licensee** from continued participation in the regulated system, including the allocation or retention of truck tags.

#### 4. Protection of the I/O List and Use of Section 24 Nominations

UTA and its membership raise a serious concern regarding the increasing reliance on **Section 24 nominations** and the resulting impact on the integrity and purpose of the Independent Operator (I/O) list.

The I/O list is a central and deliberate feature of the container trucking regulatory framework. It exists to protect Independent Operators, ensure continuity of work, and provide stability within the industry. Many I/Os currently on the list have supported the industry for decades and have remained active through periods of economic downturn, regulatory transition, and market instability. They continue to form the backbone of the Lower Mainland container trucking sector.

UTA submits that under the 2026 CTS License regime, when a licensee is granted a Truck Tag allocated for Independent Operators, and that tag subsequently becomes vacant, the regulatory expectation should be clear: **active Independent Operators already on the I/O list and without work should be prioritized**. Allowing licensees to bypass available and active I/Os in favour of Section 24 nominations from other divisions undermines the protective purpose of the I/O list and contributes to unnecessary displacement of experienced operators.

UTA acknowledges that amendments to Section 24 itself may require legislative change beyond the direct authority of the OBCCTC. However, within the existing licensing and regulatory framework, it is both reasonable and necessary for the CTS Licence to require that licensees **first exhaust the pool of active, available I/Os on the I/O list** before seeking approval for Section 24 nominations.

While Section 24 nominations may serve a limited and legitimate function in specific circumstances, they should not operate at the expense of long-standing Independent Operators who are already part of the regulated workforce and available for work. The continued use of Section 24 nominations in situations where qualified I/Os remain without work erodes confidence in the fairness of the system and weakens the stability that the I/O list is intended to provide.

UTA therefore submits that clearer direction and guardrails are required to ensure that Section 24 nominations do not undermine the role of the I/O list or disadvantage Independent Operators who have contributed to and sustained the industry over many years.

## 5. Proactive Enforcement and Front-End Guardrails

UTA and its membership submit that the effectiveness of the CTS Licence framework would be strengthened by placing greater emphasis on **proactive, front-end enforcement mechanisms**, rather than relying primarily on reactive, complaint-driven enforcement after harm has already occurred.

Many of the issues experienced by Independent Operators, such as disputes over wait time compensation, underpayment of legislated rates via misuse of collective agreements, truck-age policies, and access to work, tend to surface only after prolonged periods of non-compliance and typically require formal complaints or audits to resolve. While enforcement action is an essential regulatory tool, Independent Operators often bear the financial and operational consequences during the period between non-compliance and resolution.

Given that the proposed 2026 CTS Licence would operate for the longest licence term to date, UTA submits that clear rules, express prohibitions, and transparent compliance requirements at the outset are particularly important. Strengthening front-end guardrails within the Licence, such as standardized disclosure requirements and clearly defined prohibited practices, would support voluntary compliance, reduce disputes, and lessen the need for reactive enforcement, while advancing the OBCCTC's mandate of protecting truckers and promoting industry stability.

## 6. Need to Revisit the Truck Tag Management Policy to Address Tag Utilization and Access to Work

UTA acknowledges that the proposed changes to the 2026 CTS Licence represent a step in the right direction. However, UTA submits that the effectiveness of these licensing reforms is interlinked to the underlying Truck Tag Management Policy, which has not been substantively reviewed or updated in years despite significant changes in industry conditions. Given the central role that truck tags play in determining access to work, income stability, and market participation for Independent Operators, a concurrent review of the Tag Policy is now warranted.

UTA further acknowledges and appreciates the OBCCTC's mandate to maintain a **50-50 ratio between Independent Operator tags and Company Driver tags**, which remains an important structural safeguard for Independent Operators. However, while the numerical allocation of tags may reflect this balance, it has become increasingly evident over the past several years that **actual utilization of these tags does not reflect a comparable balance in access to work**. In practice,

Company Driver tags are frequently utilized at significantly higher rates, with Company Drivers often receiving two to three times the work performed by Independent Operators, despite both tag types being theoretically equal under the regulatory framework.

This imbalance is further compounded by operational practices such as continued reliance on late-gating/night-gating, particularly in a period of reduced container volumes. In practice, night-gate work is disproportionately assigned to Company Drivers, allowing Company Driver tags to be utilized across both day and night shifts, while many Independent Operators remain under-deployed or without access to meaningful work during regular hours. While UTA acknowledges that terminal operating hours and night-gating fall outside the direct jurisdiction of the OBCCTC, their downstream impact on tag utilization and access to work for Independent Operators is material and cannot be ignored.

Therefore, a primary concern is the **under-utilization and uneven utilization of I/O tags by certain licensees**, and the resulting impact on truckers who remain without work despite being active, eligible, and available. The current Tag Policy does not adequately address situations where I/O tags are held vacant, under-deployed, or deprioritized in favour of Company Driver operations, even when Independent Operators on the I/O List are actively seeking work. This disconnect undermines the intended protective effect of the 50-50 framework and contributes to prolonged periods of economic instability for Independent Operators.

UTA submits that targeted amendments to the Tag Policy could improve alignment between tag utilization and the policy's stated objectives without altering its core structure. In particular, clearer expectations around meaningful utilization of I/O tags, improved transparency around work allocation between tag types, and safeguards to prevent systematic under-deployment of I/O tags would promote more equitable access to work. **UTA therefore recommends that the OBCCTC initiate a review of the Truck Tag Management Policy to ensure that the intended balance between I/O and Company Driver tags is reflected not only in allocation, but also in actual utilization and access to work.**

### **Conclusion**

UTA appreciates the OBCCTC's efforts to modernize the CTS Licence and recognizes the positive direction reflected in the proposed changes. These reforms provide an important opportunity to improve clarity, compliance, and stability within the container trucking industry, particularly as the licensing framework moves toward a longer licence term.

UTA respectfully submits that the effectiveness of the 2026 CTS Licence will depend on how well it operates in practice for Independent Operators. Addressing issues related to compensation transparency, Sponsorship Agreement integrity, payment of regulated rates, protection of the I/O list, proactive compliance measures, and the utilization of truck tags will be essential to ensuring fairness, reducing disputes, and supporting long-term industry stability.

We appreciate the opportunity to provide this submission and remain available for further engagement as the policy is finalized.