March 17, 2026

AC Transport Ltd.
Unit 2020 - 9288 120 Street
Surrey, BC V3V 4B8

Amalgamated Transport Systems Inc.
Unit 2020 - 9288 120 Street
Surrey, BC V3V 4B8

Commissioner's Decisions
AC Transport Ltd. (CTC Decision No. 02/2026) and
Amalgamated Transport Systems Inc. (CTC Decision No. 03/2026)

Introduction

1. AC Transport Ltd. ("AC") and Amalgamated Transport Systems Inc. ("Amalgamated") (together, the "Companies") are each licensees within the meaning of the *Container Trucking Act* (the "*Act*").

2. AC employs or retains approximately 20 company drivers and five independent operators ("IO"). Amalgamated employs or retains approximately four company drivers and two IOs.

3. The Companies are Related Persons pursuant to the *Container Trucking Regulation* ("*Regulation*") and the 2024 Container Trucking Services ("CTS") license and their operations are integrated. They have the same two directors and shareholders (Mr. Bagh Cheema and Mr. Gurjit Bapla). All the correspondence described below was directed to Mr. Bagh Cheema (identified as primary contact and directing mind by both Companies) and responded to by Simran Randhawa, who is the accounting/transport manager for both Companies.

4. Under sections 22 and 23 of the *Act*, minimum rates that licensees must pay to truckers who provide container trucking services were first established in the *Regulation* by the Lieutenant Governor in Council and, subsequently, by the Commissioner ("Rate Order"). Licensees must comply with the established rates. In particular, section 23(2) of the *Act* 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.

5. Under section 28 of the *Act*, a licensee is prohibited from taking certain actions against a trucker because a complaint, inspection or investigation has been made, including intimidating or coercing a trucker.

6. Under section 31 of the *Act*, the Commissioner may initiate an audit or investigation to ensure compliance with the *Act, Regulation* and the CTS license whether or not a complaint has been received by the Commissioner.

7. On November 1, 2024, the Office of the BC Container Trucking Commissioner ("OBCCTC") initiated a random audit of Amalgamated to determine compliance with the *Act, Regulation*, and CTS license between November 1, 2020 and October 31, 2024 ("Amalgamated Audit Scope").

8. In February 2025, the OBCCTC initiated a random audit of AC to determine compliance with the *Act, Regulation*, and CTS license between January 1, 2021 and December 31, 2024 ("AC Audit Scope").

9. On November 27, 2025, the OBCCTC received a complaint via the OBCCTC confidence line that the Companies had failed to pay their drivers for work performed since October 16, 2025, and had failed to pay their drivers within the regulated time frame over the previous six to seven months. The complaint also stated that some of the drivers' pay cheques were returned due to insufficient funds. The auditor then contacted other drivers retained by the Companies and some confirmed that they had not been paid since October 16, 2025; others said they had not been paid since August 2025. One Amalgamated IO advised the auditor that he had received a wage statement in August 2025 and was deducted $2,072.98 for fuel. When asked by the auditor if he used the Companies' fuel, he stated he did not and that the August 2025 wage statement was the first he had received. He provided a copy of the wage statement to the auditor.

10. On December 10, 2025, the OBCCTC advised the Companies that it had initiated an investigation into the complaints.

11. Given the overlapping issues, I have decided to issue one decision setting out my findings based on the Companies' two audits and one investigation.

12. This is the third audit for each of the Companies. Amalgamated has been the subject of two previous audits. In 2015, the Deputy Commissioner determined Amalgamated had failed to pay 10 of its 12 drivers the minimum regulated rate and owed a total of $9,264.84. The Deputy Commissioner exercised his discretion and did not impose an administrative penalty. In 2019, Amalgamated was subject to a random audit and was found compliant. AC has been the subject of two previous audits. In 2015, the Commissioner determined Amalgamated failed to pay 37 of its 51 company drivers the minimum regulated rate and owed a total of $36,373.54. The Commissioner exercised her discretion and did not impose an administrative penalty. In 2020, Amalgamated was subject to a random audit and was found to be compliant.

<u>Audits</u>

13. On November 4, 2024 the OBCCTC requested Amalgamated payroll records for the periods of December 2020, August and November 2021, January and June 2022, March and July 2023, and February and August 2024 ("Amalgamated Audit Period"). On February 10, 2025 the OBCCTC requested AC payroll records for the periods of June and September 2021, January and December 2022, May and July 2023, and March and October 2024 ("AC Audit Period") (collectively the "Audit Periods").

Hourly Rate Errors

14. The auditor identified that one AC driver (“A.B.”) was not paid the minimum regulated rate for regular hours while performing work in the July 16 to July 31, 2023 pay period and was owed $168.80.[1]

Overtime Hourly Rate Errors

15. The auditor identified several errors that resulted in company drivers not being paid the regulated overtime rate by the Companies during the respective Audit Periods:

    a) One Amalgamated driver’s (“B.S.”) rate was not increased to the new overtime rate in July 2023 and he was not paid any overtime for work performed in excess of 9 hours on July 25, 2023.
    b) One Amalgamated driver (“N.G”) was not paid the minimum rate for performing work in excess of 9 hours in the July 1 to 15, 2023 pay period and was owed $31.68.
    c) Three drivers at Amalgamated (“B.S.” and “N.G.” and “D.C.”) were not paid the regulated overtime rate if they worked in excess of 45 regular hours in a work week in July 2023 and February and August 2024 and were owed an additional $117.79, $241.56 and $257.40 respectively.
    d) One AC driver (“U.S.”) was not paid the minimum rate for performing work in excess of 9 hours in the May 16 to 31, 2023 pay period and was owed $72.20.
    e) One AC driver (“A.B.”) was not paid the minimum rate for performing work in excess of 9 hours in the July 16 to July 31, 2023 pay period and was owed $30.38.
    f) Fourteen drivers at AC were not paid the regulated overtime rate if they worked in excess of 45 regular hours in a work week in May and July 2023 and March and October 2024 were owed an additional $3,209.30 in total.

16. The Companies explained to the auditor that they failed to update B.S.’s overtime rate in the payroll system to reflect the increased rate starting on July 1, 2023 and advised that this was corrected starting in the December 15-31, 2023 pay period. Furthermore, they stated that B.S. was not paid the regulated overtime rate on July 25, 2023 because some of the hours worked that day were not container trucking services (“CTS”) work.

17. The Companies provided the auditor wage statements for B.S. between July 1, 2023 and December 15, 2023 (the period when the overtime rate had not been adjusted) and the total additional overtime owing was $622.22.

18. The Companies failed to provide the auditor any evidence that B.S. performed non-CTS work on July 25, 2023 and she determined he was owed $150.48.

19. The Companies explained that they failed to update A.B.’s rate in the payroll system to reflect the increased rate starting on July 1, 2023 and advised A.B. only worked in that pay period.

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[1] A.B. was not paid the regulated rate for overtime in the same pay period and the difference is calculated under the Overtime Hourly Rate Errors heading, below.

20. The Companies did not provide any explanation to the auditor for the failure to pay weekly overtime rates in July 2023 and February and August 2024 but advised that they understood that the Rate Order allowed a licensee to pay a driver the overtime rate for working more than nine hours in a day <u>or</u> 45 hours in a week.

Independent Operators' Deductions

21. The Companies explained that they have a fuel tank in their yard to refuel company trucks, and allow their IOs to use it refuel their trucks and then deduct the fuel cost from their IOs' wages.

22. The auditor reviewed the Companies' IO payroll records and noted that the Companies only provided monthly fuel invoices received from a third party and the monthly invoices totals did not match the deductions on the IOs' wage statements.

23. The Companies explained that the IOs verbally notify the dispatcher via phone about the litres of fuel consumed and the dispatcher then writes the amount on a "sticky note" which is provided to the payroll administrator who then enters the amount in an excel spreadsheet. The Companies further said that the "sticky note" is attached to the IO's wage statement.

24. The auditor was unable to determine from the monthly fuel invoices how the Companies calculated the IO payroll deductions, and the Companies did not provide any information to support of the costs for fuel deducted from the IOs' wages. The Companies did not provide the administrator's excel spreadsheet or the "sticky notes" either.

25. The auditor spoke individually to six IOs, including some no longer working for the Companies, to verify the Companies' process for deducting fuel costs. Two Amalgamated IOs initially told the auditor they used the Companies' fuel and that they verbally reported the amounts. Other AC IOs reported they did not use the Companies' fuel but were instructed to advise the OBCCTC that the deductions were legitimate. They also said that they feared for their jobs if they spoke out. One former AC IO provided copies of receipts for fuel from other sources totaling $2,800.97 in the same month that AC deducted approximately $1,500[2] from his wages.

26. The total deduction for fuel for IOs during the Audit Periods was $94,839.02 ($33,307.56 for Amalgamated and $61,531.46 for AC).

Wage Statements

27. Amalgamated, whose audit started earlier, provided copies of wage statements it says were issued to its IOs and said that all fuel transactions were reported verbally and not supported by individual written documentation or receipts. Amalgamated IOs confirmed that they verbally reported the amount of fuel used and the amount was subsequently deducted from their pay.

28. AC advised that it did not issue wage statements to IOs but provided a "sticky" note with their drivers' pay cheque that recorded the amounts of fuel consumed. AC said this is because the IOs know the

[2] The auditor did not identify the exact amounts or dates to protect the identity of the driver who requested anonymity.

hours they worked and are aware of the fuel they consumed. AC IOs advised the auditor that they were not provided wage statements with their pay cheques and were not provided with a "sticky" note that listed the fuel consumption.

Indirectly Employed Operators

29. Two AC IOs employed a total of three Indirectly Employed Operators ("IEO") during the AC Audit Period.

30. The auditor compared the IEO timesheets and wage statements provided by IO G.N. and determined that his IEO J.S. was not paid for all the hours worked in the May 16 to 31, 2021 pay period and his IEO J.B. was not paid for all hours worked in the September 16 to 30, 2021 pay period. The auditor calculated the drivers were owed $218.62 and $56.38 respectively. The auditor also determined that IEO J.S.[3] was not paid the regulated rate in July 2023 and October 2024 after increases were made on July 1, 2023 and July 1, 2024 and calculated he was owed $942.37. The auditor also determined IEO J.S. was not paid for any overtime performing container trucking services in May 2023, July 2023, March 2024 and October 2024 and was owed $1,436.89. In summary, the auditor determined IO G.N. owed the following amounts to his IEOs:

	IEO J.S.	IEO J.B.	**Total**
Missed Hours	$218.62	$56.38	**$275.00**
Incorrect Hourly Rates	$942.37		**$942.37**
Unpaid Overtime	$1,436.89		**$1,436.89**
Total	**$2,597.87**	**$56.38**	**$2,654.25**

31. The auditor was unable to confirm whether one IO ("S.S.") paid his one IEO ("B.S.") any of the $11,287.92 in wages earned during the AC Audit Period as no cancelled cheques or electronic fund transfer records were provided. S.S. explained to the auditor that B.S. is his son and they share a joint bank account. S.S. provided copies of cheques issued to B.S. but explained that the cheques are not cashed because the bank will not permit a cheque to be deposited into an account from which it is drawn. B.S. confirmed this.

32. The auditor also found that some of AC's IOs failed to pay their respective employees within 8 days of the end of a pay period during the AC Audit Period.

Audit Reports

33. On May 22, 2025, the auditor prepared an audit report ("Amalgamated Audit Report") that concluded the following:

- Amalgamated failed to pay a total of three company drivers the minimum regulated rates for overtime between July 2023 and December 15, 2023 and in February and August 2024 and owed a total of $1,270.63 ($31.68 + $117.77 + $241.56 + $257.40 + $622.22).

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[3] IEO J.B was not employed during January and December 2022, May and July 2023 and March and October 2024 of the AC Audit Period.

- Amalgamated failed to provide the auditor any evidence that B.S. performed non-CTS work on July 25, 2023 and owed B.S. $150.48.

- Amalgamated had insufficient documentation to support the deduction of $33,307.56 from its IOs' wages during the Amalgamated Audit Period but Amalgamated's two IOs stated they used Amalgamated's fuel.

- Amalgamated likely owed additional wages for weekly overtime in months not covered by the Amalgamated Audit Period.

- Amalgamated failed to pay its company drivers within 8 days after the end of the pay period.

34. At the time the Amalgamated Audit Report was issued, the auditor had not completed the AC audit and had not yet spoken to the AC IOs.

35. A copy of the Amalgamated Audit Report and the auditor's worksheet was provided to Amalgamated on May 28, 2025 with a deadline to provide a submission no later than June 27, 2025. Amalgamated did not provide a response by the deadline.

36. On September 1, 2025, the auditor prepared an audit report ("AC Audit Report") that concluded the following:

- AC failed to pay a total of fifteen company drivers the minimum regulated rates for all hours worked and overtime in May and July 2023 and March and October 2024 and owed a total of $3,480.68 ($168.80 +$72.20+$30.38+$3,209.30)

- AC likely owed additional wages for weekly overtime in months not covered by the AC Audit Period because of its interpretation of the Rate Order.

- AC IO G.N failed to pay his two IEOs the regulated rates for all hours worked during the AC Audit Period for a total of $2,654.25.

- IO S.S. was unable to demonstrate that he paid his one IEO ("B.S.") any of the $11,287.92 in wages earned during the AC Audit Period.

- AC IOs failed to pay their IEOs within the regulated time period.

- AC had insufficient documentation to support the deduction of $61,531.46 from its IOs' wages during the AC Audit Period.

- Some AC IOs advised the auditor that they were instructed to advise the OBCCTC that fuel deductions were legitimate.

- Some AC IOs stated they paid for their own fuel and one IO provided copies of receipts paid for his fuel from another source in one of the months during the Audit Period.

- AC failed to pay its company drivers within the regulated time period.

37. A copy of the AC Audit Report and the auditor's worksheet was provided to Mr. Cheema on September 16, 2025 with a deadline to respond by October 16, 2025. I also advised Mr. Cheema, in his capacity as director and owner of Amalgamated, that if I was satisfied that AC IOs did not use the Companies' fuel and were advised to misrepresent the facts to the auditor, I could consider if the same extended to Amalgamated given that they are Related Persons and their operations are integrated and Mr. Cheema was also provided an opportunity to respond on behalf of Amalgamated.

38. On October 14, 2025, two of AC's IOs separately emailed the OBCCTC to advise that they had been approached by the Companies about giving "wrong information" or "misrepresenting the information." Both IOs indicated that they gave the wrong information to the auditor and that they did take fuel from the Companies and one IO expressed his happiness about working for the licensee.

39. On October 16, 2025, the Companies provided one response to the AC Audit Report and Amalgamated Audit Report (collectively the "Audit Reports").

40. On November 28, 2025, in response to the auditor's request for further documentation, the Companies provided wage statements issued to their respective IOs between November 1, 2020 and October 31, 2025 (excluding the wage statements provided during the respective Audit Periods) ("Audit Scope Records"). Based on those statements, the auditor calculated that Amalgamated deducted a total of $107,003.57 and AC a total of $169,134.71, in fuel from their IOs in addition to the fuel deductions made during the respective Audit Periods.

<u>Investigation</u>

41. On December 15, 2025, the Companies provided payroll records for September and October 2025 as required by the auditor so that she could determine if the Companies were delaying payment to drivers as alleged.

42. After reviewing the 2025 records, the auditor asked the Companies why the drivers were not paid within the regulated timelines. The auditor also asked the Companies to address allegations that some drivers were not provided the cheques until after the date on the cheque and some of the pay cheques were returned due to insufficient funds.

43. On December 19, 2025, the Companies provided a response which will be addressed below.

Order

44. The auditor was satisfied that the Companies had not paid their drivers within the required timeframe set out in section 24 of the *Regulation* and on December 19, 2025, pursuant to sections 4 and 9 of the *Act*, the Companies were ordered, *inter alia*, to demonstrate that they had paid their drivers for wages earned up to December 15, 2025 by no later than December 23, 2025: Notice of Order against AC Transport Ltd. & Amalgamated Transport Systems to Comply with the *Container Trucking Act*, *Container Trucking Regulation* and Container Trucking Services Licence ("Order"). The auditor also ordered the

Companies to provide evidence of payment for pay periods until January 30, 2026. Compliance forms were attached to the Order.

45. The Companies provided completed compliance forms on December 23 and 30, 2025 and January 8, 23 and 30, 2026.

46. The auditor followed up with several drivers to ensure they were paid in accordance with the Order. On or around December 21, 2025, that auditor confirmed that one Amalgamated IO (B.C.) was paid for August, September and October 2025. B.C. provided a copy of a detailed wage statement for August 2025 that he had received from the licensee and said that he had never previously received such a detailed wage statement. B.C. also provided a copy of his handwritten logbook used to track his hours of work and advised that "I never get fuel from yard I have my own fuel card…."

47. The auditor noted that the wage statement provided by B.C. and the wage statement provided by the Companies for B.C. for the same pay period in August 2025 showed the same amount owing, but that there were differences in the hours worked, fuel surcharge and fuel deducted:

August 1 – 31, 2025									
	Hourly Rate	Hours	Amount	FSC 30%	Parking	Insurance	Fuel from Yard	Net Amount	*Fuel Deduction % of wages*
B.C. provided wage statement	$73.51	141	$10,364.91	$3,109.47	$150.00	$725.00	$2,072.98	$10,526.40	20%
Companies' B.C. wage statement	$73.51	133	$9,776.83	$2,933.05	$150.00	$725.00	$1,308.48	$10,526.40	13.39%
Difference	$0.00	8	$588.08	$176.46	$0.00	$0.00	$764.50	$0.00	6.61%

48. On January 29, 2026, the auditor requested an explanation from the Companies about a $205.00 "port fee discount" and a $350 "parking fee discount" identified in the Audit Scope Records. These two "discounts" did not appear in the Audit Period records previously provided by the Companies. The auditor also sought an explanation for an increase from $150 to $350 in the parking deductions for IOs and a $205 "port fee" recorded in the wage statements issued to drivers between September 2025 and December 2025; this "port fee" did not exist in the Audit Period records. Lastly, the auditor asked the Companies about the discrepancies between the different versions of B.C.'s August 2025 wage statements identified above.

49. The Companies were advised that any response would be considered as part of the decision.

50. On February 4, 2026, the Companies provided a response which will be addressed below.

51. On February 11, 2026, B.C. provided the auditor with copies of his receipts for fuel he said he purchased using his credit card in August 2025 (565 litres paid on July 31, 2025; 575 litres paid on August 14, 2025; 253 litres paid on September 1, 2025).

Companies' Response

52. I have considered the Companies' submissions dated October 16, 2025, December 19, 2025 and February 4, 2026 and organized their responses by topic.

Regulated Rates

53. The Companies agree that AC failed to pay its company drivers U.S. and A.B the correct hourly rates and they are owed $72.20 and $199.17 (total $271.37[4]) respectively.

54. The Companies do not dispute the regulated overtime rates were not paid to four Amalgamated company drivers and fourteen AC company drivers who all worked more than 9 hours in a day or more than 45 hours in a week and agree with the auditor's findings regarding monies owing. The Companies explain that they incorrectly interpreted the Rate Order and thought they could pay overtime after 45 hours of work in a work week or after 9 hours in a day.

55. The Companies do not dispute that two AC IOs failed to pay three IEOs a total of $2,654.25 ($275.00+$942.37+$1,436.89) during the Audit Period. The Companies explained that they initially monitored the two IOs to ensure they paid their IEOs in accordance with the regulated rates but had moved away from that practice the longer they sponsored with AC. The Companies state that they have now implemented "stricter oversight" of the IO payments to IEOs.

Delayed Payroll

56. In terms of their failure to pay company drivers in accordance with s. 24(1) of the *Regulation* identified in the Audit Reports, the Companies explain that for 26 years they have paid company drivers on the 15 and 30 of each month to coincide with the last day of the respective pay periods (they refer to this as a "two week holdback") and that although this was not raised in prior audits they amended their payroll practices starting on December 1, 2025. The Companies state that all IOs are paid in accordance with s. 24(2) of the *Regulation.*

57. In terms of the delayed payment to drivers identified in the investigation, the Companies state that operational – not financial – issues have delayed payment to drivers: drivers pick up their cheques at the Companies' office which is located away from the yard, so drivers cannot always pick up their cheques right away. The Companies admit that "on rare occasions" they may not have sufficient funds to cover a pay cheque, but say that on those occasions, steps are immediately taken to ensure the driver is paid through funds in other bank accounts. To immediately address the delay, the Companies say they will now hand out the pay cheques at the yard and plan on transitioning to a direct deposit payroll system in the new year.

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[4] This amount is based on the underpayment of regular hours and overtime owed to both drivers. I have separated out the $168.80 from A.B. is owed for regular hours and the $30.37 owed for overtime hours.

Port Fee

58. The Companies state that they were under a misapprehension that they could deduct fees from IOs to recover the fees they must pay the Vancouver Fraser Port Authority. The Companies explain that this "Port Fee" was deducted from each IO for "approximately three months" (September, October and November 2025) but that once the Companies determined that such deductions are impermissible, each IO was paid $820 "as reflected in the December 2025 records."

Parking Fee

59. The Companies explain that they increased the amount deducted from each IO for parking starting in September 2025 "as part of a number of operational updates introduced during that month" and to "better align with current market conditions." The Companies say that all affected IOs were informed at a meeting "prior to applying the new rate" and the IOs "confirmed their understanding and acceptance of the new terms."

Port Fee Discount and Parking Fee Discount

60. The Companies state that the port fee discount and parking fee discount were recorded on payroll records for "reference purposes only" and did not represent a deduction from the IOs' wages. The Companies explain that they itemized "the market price for parking [$350.00]" and the "port fees [$205]" that were paid on behalf of the IOs to inform the drivers of the amount they could have been charged but were not (until September 2025).

Payroll Discrepancies

61. On February 4, 2026, the Companies responded to the discrepancies between the wage statement provided by B.C. and that provided by the Companies simply by saying: "it doesn't match our records."

Fuel Deductions

62. The Companies maintain that their IOs used the Companies' fuel and that amounts were properly deducted from IO wages for fuel. In their October 16, 2025 response, the Companies acknowledge that their fuel deduction process "could have been more formally documented" and confirmed they have taken steps to improve their record keeping. The Companies did not mention in their October 16, 2025 submission that they had stopped deducting IO fuel costs in September 2025, but in their February 4, 2026 submission, they say that the fuel deductions were discontinued effective September 2025 after "some owner operators opposed the company's position during the audit" which created "serious compliance and documentation issues for the company and exposed it to unnecessary audit complications and risk."

63. The Companies maintain that "the deductions were based on the litres [the IOs] reported using each time, which were communicated by phone to our dispatcher and then passed on to the payroll administrator." The Companies state that they are uncertain "why some IOs have chosen to deny this arrangement or misrepresent the facts to the auditor, especially since they have benefited from this setup for many years without complaints."

64. The Companies speculate that a specific IO provided the auditor with the fuel statements mentioned in the AC Audit Report and warn that the IO has other trucks and has been previously engaged in a pattern of "attempting to inflate his hours of work." Furthermore, the Companies argue that this particular IO "fueled up the from the yard, the exact value was verbally communicated to him and appropriately deducted." They say that they explained to this particular IO the deductions when he collected his cheque and he "appeared satisfied with the information at the time."

65. The Companies also argue that they go "above and beyond standard industry practices" and "consistently paid for extra time beyond active truck use." They also argue that they provided the fuel at rates "lower than prevailing market rates" to the benefit of the IOs.

66. The Companies did not provide a response to the following:

    a. Amalgamated failed to provide the auditor any evidence that B.S. performed non-CTS work on July 25, 2023 and she determined he was owed $150.48.
    b. An IO ("S.S.") was unable to demonstrate that he paid his one IEO ("B.S.") $11,287.92 in wages earned during the AC Audit Period.
    c. The Companies likely owed additional wages for weekly overtime in months not covered by the Audits Period because of their interpretation of the Rate Order.
    d. The Companies failed to pay company drivers with 8 days after the end of a pay period.
    e. AC IOs failed to pay their IEOs within 8 days of the end of a pay period.

<u>Decision</u>

Regulated Rates

67. I accept the undisputed findings of the Amalgamated Audit Report and find that Amalgamated was in breach of section 23 of the *Act* when it failed to pay a total of $1,270.63 ($31.68 + $117.77 + $241.56 + $257.40 + $622.22) to four company drivers for overtime performed in July 2023 through December 15, 2023, and in February and August 2024.

68. The Companies do not dispute that Amalgamated failed to provide the auditor any evidence that B.S. performed non-CTS work on July 25, 2023 and I accept the undisputed finding that B.S. was owed $150.48.

69. The Companies did not dispute that AC failed to pay a total of 15 company drivers the regulated rates identified in the AC Audit Report and I find that AC was in breach of breach of section 23 of the *Act* when it failed to pay a total of $3,480.67 ($168.80 +$72.20+$30.37+$3,209.30) for regular hours and overtime in May and July 2023 and March and October 2024.

70. I also find that AC was in breach of Appendix E section 1 of the CTS licence and section 23 of the *Act* when it failed to ensure that IO G.N. paid two of his IEOs the regulated rates in May 2021 and September 2021, May and July 2023, and March and October 2024. The Companies do not dispute the amount IO G.N. owes his IEOs and I find that AC owes the IEOs a total of $2,654.25.

Delayed Payroll

71. The Companies did not dispute that they failed to pay employees within 8 days of the end of a pay period as required by s. 24(1) of the *Regulation*.

72. Additionally, the Companies were found to have delayed payment between September 30 and December 8, 2025 as a result of the investigation into the complaint received on November 27, 2025, as described in paragraph 9, above. However, I am not persuaded that Companies "two-week" holdback and payroll operations explain the delay in at the time of the complaint in its entirety. The Companies' compliance forms for the pay period November 1-15, 2025[5] indicate that most of the company drivers' cheques were deposited after the Companies were advised by the auditor that an investigation into complaints:

Company Driver	Pay Period	Regulated Deadline	Date of Cheque	Amount	Date Deposited
A.S	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,861.10	December 15, 2025
A.S.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$751.82	December 9, 2025
B.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$3,706.06	December 15, 2025
D.K	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$3,200.38	December 16, 2025
G.N	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,483.93	December 8, 2025
H.C.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,468.91	December 16, 2025
H.G.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$3,662.12	December 15, 2025
J.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,412.27	December 19, 2025
K.H	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$3,320.87	December 15, 2025
K.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,327.69	January 2, 2026
L.S	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,522.17	December 24, 2025
M.W	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,359.76	December 24, 2025
S.M.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$1,041.02	December 24, 2025
M.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$1,942.06	December 23, 2025

[5] The 2025 Order required the Companies to provide compliance forms with attached wage statements and cancelled cheques to demonstrate compliance with the Order.

U.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$3,575.14	December 15, 2025
P.S	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$1,878.71	December 24, 2025
S.S.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$3,277.09	December 19, 2025
D.C.	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$744.54	December 23, 2025
K.S.G	Nov 1-15, 2025	November 23, 2025	November 30, 2025	$2,346.96	December 23, 2025
Total				**$46,882.60**	

73. The respective audit reports do not indicate that the Companies failed to pay their IOs in accordance with section 24(2) of the *Regulation*. However, I am not persuaded that the Companies' IOs were paid in accordance with s. 24(2) of the *Regulation* based on the compliance reports provided for the pay periods between August 1 and October 31, 2025:

IO	Pay Period	Regulated Deadline	Date of Cheque	Amount	Date Deposited
J.D.	Aug 1-31, 2025	September 30, 2025	September 30, 2025	$13,030.34	November 3, 2025
R.B.	Aug 1-31, 2025	September 30, 2025	September 30, 2025	$13,515.51	November 7, 2025
S.D.	Aug 1-31, 2025	September 30, 2025	September 30, 2025	$12,069.76	November 3, 2025
B.C.	Aug 1-31, 2025	September 30, 2025	September 30, 2025	$10,526.40	December 22, 2025
J.D.	Sept 1-30, 2025	October 30, 2025	October 31, 2025	$11,488.88	December 9, 2025
R.B.	Sept 1-30, 2025	October 30, 2025	October 31, 2025	$11,441.83	December 9, 2025
S.D.	Sept 1-30, 2025	October 30, 2025	October 31, 2025	$10,065.18	December 9, 2025
B.C.	Sept 1-30, 2025	October 30, 2025	October 31, 2025	$8,952.59	December 22, 2025
J.D.	Oct 1-31, 2025	November 30, 2025	November 30, 2025	$13,558.92	December 19, 2025
R.B.	Oct 1-31, 2025	November 30, 2025	November 30, 2025	$12,335.71	December 19, 2025
S.D.	Oct 1-31, 2025	November 30, 2025	November 30, 2025	$11,852.95	December 22, 2025
B.C.	Oct 1-31, 2025	November 30, 2025	November 30, 2025	$1,636.88	December 22, 2025
Total				**$130,474.95**	

74. I find that the pay cheque deposit dates exceeded both the regulated deadline and the Companies' erroneous pay date by a significant amount of time. While the cheque dates may indicate the IOs were paid in accordance with section 24(2) of the *Regulation* (expect for the September 1-30, 2025 pay period) or the "two-week" holdback period in the case of the company drivers, the dates the cheques were actually deposited are very similar and reasonably suggest that the drivers were given the cheques after date on the cheque or told when they could cash the cheques. The significant delays beyond the regulated date and the "two week" holdback is also consistent with the driver's complaints that the Companies delayed payment by the respective regulated timeline between September 30, 2025 and November 15, 2025, and I infer from the lack of an explanation for such a delay that part of the reason may be due to the Companies' inability to pay the funds.

75. Licensees are required to ensure that all truckers (including IEOs, who indirectly provide container trucking services on their behalf) are paid in accordance with the Rate Order (section 1 of Appendix E of the CTS licence). Here, the way in which AC IO S.S. "compensates" IEO B.S. does not establish that the IEO was actually compensated. There is no evidence that the IEO received payment. If a financial institution will not allow a cheque to be cashed by an account holder, then it is incumbent on the IO (and the licensee) to compensate the IEO through a separate account so that a financial record can be retained. In this case there is no way for me to determine if the IEO was paid during the AC Audit Period. .

76. The requirement for IOs to pay their IEOs within 8 days after the pay period came into force on December 1, 2024 – after the Audit Period – and was not a condition of the licence during the Audit Period.

Port Fee

77. The Companies do not provide particulars about the "port fee" deducted in some months in 2025 but I infer from their submission the fee was intended to offset some costs paid by the licensees to the Vancouver Fraser Port Authority. Accordingly, I find that such a recovery of a business expense is a "financial set-off" and in breach of section 24 of the *Act* and section 2 of Appendix E of the licence.

78. Based on payroll records for January 2026 (as included in the compliance forms), I am satisfied that these improper deductions were limited to September -- December 2025 and have been repaid.

Parking Fee

79. Schedule 2 (Sponsorship Agreement) of the 2024 CTC licence only permits payroll deductions for the licensee's payment of fuel and insurance on behalf of the IO. However, payroll deductions for parking were not restricted under earlier licences. Therefore, I find the Companies parking deductions between December 1, 2024 and December 30, 2025 were in beach of Schedule 2 of the Sponsorship Agreement.

80. The Companies do not provide any evidence regarding the parking fee increase of $200 starting in September 2025 or any written communication or notice to the IOs about the increase. The "parking fee" increase – and the deduction of the port fee – both occurred the same month the Companies stopped taking the "fuel" deduction. Given the coincidence of these changes, and the lack of any

credible explanation for them, I find that the Companies inappropriately attempted to recover business costs, first through the fuel deductions and then through the parking and port fees.

Parking Fee Discount and Port Fee Discount

81. The Companies first identified the existence of a “parking fee discount” and “port fee discount” when they provided the Audit Scope Records on November 28, 2025. These two “discounts” were not shown on the records provided in response to the initial request for records on November 4, 2024 and February 10, 2025. Additionally, the “discounts” are not identified in B.C.’s August 2025 wage statement provided by B.C. I also note that the wage statements provided by the Companies on November 28, 2025 (Audit Scope Records) were not in the same format as those provided for the Audit Periods. The Audit Scope Records show a “parking discount” and “port fee discount” with explanations for both while the Audit Period records do not.

82. I do not find the Companies’ explanation for the “discounts” to be credible. The claim that the amounts were listed to demonstrate to the drivers the amount that could have been charged but was not charged (something akin to a taxable benefit I presume) makes little sense since the IOs did not receive wage statements and the “discounts” were not recorded on the Audit Period payroll records first provided to the auditor. The Companies have produced two different versions of wage statements – the first in response to the original requests for records (the Audit Period records) and the second in response to later requests (the Audit Scope Records). This suggests the Companies have altered their records. Likelier than not, the “discounts” identified in the records provided later were manufactured justifications for the “deductions” and were generated in an effort to mislead the auditor.

Payroll Discrepancies and Fuel Deductions

83. I have been presented with two conflicting accounts about IO fuel deductions. On the one hand, the Companies says that IOs used the Companies’ fuel and that the Companies accurately deducted the fuel costs from the IOs’ wages each month, although the Companies agree that their record keeping is wanting. On the other hand, one Amalgamated IO provided receipts for fuel that he says he paid for in August 2025 and some AC IOs reported that they did not use the Companies’ fuel but were told by AC to advise the auditor that they did.

84. One immediate challenge with the Companies’ submission is its reliance on asserted verbal communication, unproduced sticky notes and excel spreadsheets, and fuel invoices from a third-party supplier that are not itemized or associated with any particular IO. Appendix D section B(4)(1)(f)(vi) of the 2022 CTS license, in effect for the majority of the months of the Audit Periods, required a licensee to keep “accurate, complete and up-to-date” records of “each deduction made from a Trucker’s wages and the reasons for it.” This same provision exists in the 2024 CTS licence. However, the Companies’ fuel invoices are inconsistent with the amount deducted from a trucker’s wages. Nor do I consider deductions based on verbal reporting that cannot be confirmed to be “records” much less “accurate records.” I find the Companies’ failure to keep accurate records in support of the fuel deductions to be a breach of Appendix D of the CTS license.

85. On this basis alone, I would find that the impugned deductions were not appropriately substantiated.

86. However, based on the evidence before me, I also find that the IOs did not use the Companies’ fuel and

that the Companies encouraged the IOs to say that they did.

87. One reason for my finding is based on my review of the auditor's worksheets attached to the Companies' Audit Reports. In the Audit Period records provided by the Companies, the amount deducted for fuel from each IO is generally the same percentage of the IOs' monthly wages, as illustrated below:

Table 1: Amalgamated fuel deduction as percentage of wages, Audit Period records

Amalgamated IO	BC	SD
Dec 2020	0%	0%
August 2021	17%	17%
Nov 2021	24%	24%
Jan 2022	23%	23%
June 2022	14%	13%
March 2023	23%	23%
July 2023	20%	20%
Feb 2024	21%	7%
Aug 2024	24%	24%

Table 2: AC fuel deduction as percentage of wages, Audit Period records

AC IO	JD	RB	SB	CG	GN	SS
June 2021	14%	14%	14%	14%	14%	
Sept 2021	18%	18%		18%	18%	
Jan 2022	22%	22%		22%	22%	
Dec 2022	38%	38%			38%	38%
May 2023	20%	20%		20%	20%	17%
July 2023	18%	18%		18%	18%	14%
Mar 2024	14%	20%		20%	20%	20%
Oct 2024	18%	18%		18%	18%	18%

88. However, the fuel deduction as percentage of wages in the Audit Scope Records is not as consistent. I have reproduced the Audit Scope Records for the month immediately following each month in the Audit Period:

Table 3: Amalgamated fuel deduction as percentage of wages, Audit Scope Records

Amalgamated IO	**BC**	**SD**
Jan 2021	0%	0%
Sept 2021	14%	13%
Dec 2021	9%	14%
Feb 2022	14%	13%
July 2022	6%	8%
April 2023	10%	10%
August 2023	11%	13%
March 2024	10%	10%
Sept 2024	13%	13%

Table 4: AC fuel deduction as percentage of wages, Audit Scope Records

AC IO	**JD**	**RB**	**SB**	**CG**	**GN**	**SS**
July 2021	12%	6%	8%		10%	
Oct 2021	13%	12%		12%	13%	
Feb 2022	6%	12%		0%	4%	
Jan 2023	15%	10%		10%	0%	17%
Jun 2023	0%	0%		0%	10%	0%
Aug 2023	10%	11%		0%	6%	13%
Apr 2024	10%	10%		7%	0%	13%
Nov 2024	10%	10%		0%	0%	11%

89. It is highly improbable that each IO would use fuel at a cost that is, with few exceptions, exactly the same rounded percentage of their wages every month irrespective of how many hours they worked or kilometres they drove. However, this is what is recorded in the Audit Period records. It is also unlikely that the auditor would have selected 17 months during the respective Audit Periods during which the IOs had exactly the same rounded percentage of their wages irrespective of how many hours they worked or kilometres they drove, while the amounts in the following months (as recorded in the Audit Scope Records) would not be so consistent.

90. This difference between the Audit Period records and the Audit Scope Records is more likely explained by the different times they were provided to the auditor. The Audit Scope Records were provided to the auditor on November 28, 2025, after the Companies knew that the auditor was questioning the legitimacy of the fuel deductions in the AC Audit Report issued on September 16, 2025. The difference in the percentage of wages deducted for fuel between the Audit Period records and the Audit Scope Records, along with the different wage statement formats and content previously noted and the

Companies' failure to provide any substantive explanation for the differences between the two versions of the B.C. wage statement all suggest that the Audit Scope Records were altered.

91. Likelier than not, by the time the Companies were asked to provide the Audit Scope Records, they were aware that their scheme had been exposed and altered the wage statements to make it appear that there was no consistency in the amount of fuel deducted in each pay period. The Companies' alteration of the Audit Scope Records in order to disguise the "fuel deduction" percentage consistency found in the Audit Period records is further supported by comparing B.C.'s wage statement as discussed at paragraph 47. B.C.'s wage statement records fuel deductions of exactly 20% of his wages (similar to the rounded percentages in the Audit Period records) whereas the B.C. wage statement in the Audit Scope Records (as provided by the Companies) records that he worked fewer hours, was paid less FSC, and that less money was deducted for the cost of fuel, with the result that his "fuel deduction" equalled 13.39% of his wages over the same pay period.

92. I note that the information set out above was provided by the Companies, but the Companies concede that they did not provide detailed wages statements to their IOs during the Audit Periods as required pursuant to Appendix D of the CTS licence. While the Companies' failure to provide the IOs with detailed wage statements for most of the Audit Scope made the detection of this scheme more difficult, when the Companies did start providing wage statements, one Amalgamated IO kept his August 2025 wage statement, and it helped expose the Companies' duplicitous record keeping.

93. It must also be remembered that the auditor was conducting a random audit and she only became aware of the Companies' improper deductions when she reached out to the AC IOs to verify AC's fuel deductions and when she reached out to Amalgamated's IOs to verify compliance with her Order. It is highly unlikely that drivers would risk their employment by falsely accusing the Companies of engaging in deceptive practices. The Companies have provided no corroborating evidence that their IOs used the Companies' fuel but have resorted to confronting AC IOs about the allegations contained in the Audit Report, impugning the motives of the AC IO believed to have provided his own fuel receipts, and providing no explanation for the existence of two different wages statements for an Amalgamated IO.

94. I give little weight to the two IOs' telling the auditor that they used the Companies' fuel and I give little weight to the IOs' retractions of their initial evidence. The Audit Report disguises the identity of the IOs who provided information. Yet, based on the retraction letters (in which the IOs identify themselves as known by the Companies to have provided information to the auditor), AC appears to have engaged with its IOs after it received the AC Audit Report. I also note that the retractions were received by the OBCCTC two days before AC's response to the Audit Report was due. AC's engaging with the IOs in this way is consistent with its coaching the IOs to misrepresent that they had received fuel, in breach of section 1(h) and (j) of Appendix A. The AC Audit Report stated that the IOs had earlier feared for their employment if they complained and it is reasonable to assume that they were in fear when AC confronted them about the AC Audit Report. Given that the retraction emails both appear to have been generated following a discussion with AC, and given that AC IOs conveyed a concern for their continued employment, I find that the two IOs were either intimidated or coerced into sending the emails in breach of section 28(d) of the *Act* and section 1(h) and (j) of the 2024 CTS licence.

95. I prefer the IOs' evidence because it is generally consistent with the totality of the evidence including two IO's personal fuel receipts, the Companies' lack of records, their failure to explain the different

wage statements and the improbability of the percentage of fuel deducted being the same percentage of drivers' wages earned during the Audit Periods.

96. I find that the Companies deducted a percentage from each IO's wages and encouraged IOs to lie to the auditor about what was occurring. I further find that the Companies confronted the AC IOs they believed had advised the auditor about the fuel deduction issues and encouraged to them write retraction letters to the Commissioner in an attempt to continue the coverup. To find otherwise, I would have to conclude that five IO statements to the auditor, two supported by personal fuel statements, were misrepresentations. I would also have to find both the lack of any proper record keeping by the Companies and the consistent monthly percentage deductions a mere coincidence. I do not find such a conclusion reasonable in the circumstances.

97. I have reviewed the Audit Scope Records and my calculations show that Amalgamated deducted $107,003.57[6] and AC deducted $169,134.71 from its drivers for fuel for the period covered by those records. As noted above, this information is based solely on the information provided by the Companies.

98. In summary, I find that the Companies' IOs did not use the Companies' fuel during the Audit Periods or the Audit Scope periods and were encouraged by the Companies to mislead the auditor, and subsequently the Commissioner, about the monies paid in breach of section 1(h) and (j) of Appendix A of the 2024 CTS licence and sections 28(d) and 32(3) of the *Act*. I also find that Amalgamated and AC improperly deducted $33,307.56 and $61,531.46 respectively from IO wages during their respective Audit Periods (in addition to the $107,003.57 and $169,134.71 deducted during the Audit Scope periods) in breach of sections 23 and 24 of the *Act*.

Proposed Penalty

99. The seriousness of the available penalties indicates the potential gravity of non-compliance with the *Act*. 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 licences, and the Commissioner is tasked under the *Act* with investigating and enforcing compliance.

100. 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;

[6] This is based on the amount reported on the wage statements provided by Amalgamated but I have accepted the amount recorded on the B.C. Wage Statement and added the difference.

- 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.

The seriousness of the respondent's conduct;

101. The Companies have been found to have committed multiple and repeated breaches of the *Act, Regulation,* and the CTS licence, all involving multiple drivers. The outstanding amounts delayed and owing, are significant, particularly for the IOs.

102. Of particular importance is the Companies' breach of Appendix A section 1(h) and (j) of the 2024 CTS licence and sections 28(d) and 32(3) of the *Act*. In addition to withholding compensation owning, the Companies were aware of the legislative and regulatory requirements but chose to wilfully undermine the OBCCTC enforcement process by providing misleading evidence (e.g. fuel invoices), disguising fraudulent activity as poor record keeping, and coercing drivers into lying to the auditor to demonstrate compliance. When they "discontinued" the fuel deduction in September 2025, the Companies "increased" the "parking fee" and "introduced" a "port fee" to continue to claw back compensation owing. As if those actions were not egregious enough, the Companies' searching out of the individuals they believed had failed to follow their instructions (some of whom provided the retractions) and impugning the motives of the driver they believed had provided personal fuel receipts is anathema to the driver protections under the *Act.*

103. In <u>Rideway Transport Ltd.</u> (CTC Decision No. 09/2021) – Decision Notice ("*Rideway*"), the Commissioner set out the importance of section 28 of the *Act* at paragraphs 38 and 39:

> Container trucking drivers are vulnerable to mistreatment by licensees and their protection has always been a primary consideration of government and the OBCCTC. For example, the Act was introduced following a work stoppage in 2014, which ended upon the signing of a Joint Action Plan that committed to the introduction of a number of reforms, including a whistleblower mechanism "for the reporting of concerns related to compliance with trucking licensing system requirements (including compensation provisions) or incidents of intimidation or harassment related to container drayage activity." A confidential complaint line was established and is now administered by the OBCCTC.
>
> Much of the Act, Regulation and the CTS Licence provisions are based upon recommendations made in a report drafted by Vince Ready and Corinn Bell ("Ready/Bell") in the context of the 2014 work stoppage. In their report, Ready/Bell noted that drivers who come forward to report a non-payment, undercutting, or kickbacks are fearful about losing their jobs or suffering other negative employment consequences. Ready/Bell recommended that "the strictest of penalties" should be imposed "in the face of evidence of retaliation or retribution."

104. In <u>Safeway Trucking Ltd. and Coast Pacific Carrier Inc.</u> (CTC Decision No. 07/2021) – Commissioner's Decision ("*Safeway*"), the Commissioner determined that a breach of section 28 of the *Act* was a serious breach:

> Section 28 is a response to driver concerns, captured by Ready and Bell, that they would lose their jobs or suffer other negative consequences if they came forward to report non-payment, rate undercutting or kickbacks. Ready and Bell recommended that these concerns be addressed through legislation and that the ***strictest of penalties be imposed*** in the face of evidence of retaliation or retribution by licensees against complainants. (para 144.)

105. I agree with the analysis in *Rideway* and *Safeway* and find that the Companies' premeditated attempts to coerce and intimidate the drivers in order to keep them from receiving repayment of wages under the very *Act* that was put in place to ensure they treated fairly and free from fear of retaliation is one of the most serious offences.

The harm suffered by drivers as a result of the respondent's conduct;

106. Given the significant amounts the Companies have failed to pay or delayed in paying, it is reasonable to assume that the drivers have suffered significant harm. The total amount owing to the drivers is significant for the IOs given the systematic and repetitive conduct of the Companies in making the improper deductions from IO wages. As it stands there is $389,821.24 (Amalgamated $141,732.23 and AC $248,089.01) owing for missed hours, improper rates, and improper fuel deductions.

107. I also note that the *Act* does not allow for any interest to be added to make the drivers whole for the missing wages and, given the amounts already identified, I find that the loss of interest to be significant.

108. I also note that in this case the harm to drivers extended beyond financial harm. The IOs reported to the auditor that they feared for their jobs if they complained about the improper deductions and this is why they did not come forward to the OBCCTC. The drivers' fear resulted in ongoing deductions in significant amounts. While I was not provided any evidence of the extent of the psychological harm suffered by drivers, I find it reasonable to assume that drivers being pressured by the Companies to lie would have been stressful and put the drivers in an impossible position – either lie to the licensee about what they communicated to the OBCCTC or tell the OBCCTC what the Companies wanted them to say initially.

109. The OBCCTC was established to ensure that drivers are compensated for the work they perform and protected from the power imbalance between drivers and licensees. The fact that the legislature was compelled to legislate specific driver protections and confidentiality under sections 27 and 28 of the *Act* shows that such requirements were necessary both to protect drivers from fear of coming forward and also to punish those who cause that fear.

The damage done to the integrity of container trucking industry;

110. It has been recognized in the Ready/Bell Report and subsequently in CTC decisions that rate undercutting and other driver abuses negatively impact the sector. In this case, the Companies' actions could have a destabilizing effect in that they were not paying their drivers the regulated rates and these "savings" could allow the Companies to lower the rates they charge their customers and thereby encourage a race to the bottom as other licensees may be incentivized to cut their drivers' wages to

match the lower rates and remain profitable and/or in business. Given the protracted nature of the improper deductions, it is likely that the Companies were in a position for some time to offer lower rates.

111. Deliberate attempts to mislead the OBBCTC in order to disguise the underpayment of wages, combined with the Companies' fear and intimidation campaign against the very drivers the *Act* was designed to protect, also reflect badly on the industry and in turn affect public trust and confidence.

The extent to which the licensee was enriched;

112. The drivers have been financially harmed by at least the amount identified at paragraph 106 over a four-year period and the Companies have enriched themselves by at least the same amount.

Factors that mitigate the respondent's conduct;

113. With the exception of the circumstances surrounding the fuel deductions, the Companies accepted that they had underpaid drivers by approximately $6,000 and did not dispute the auditor's calculations. The Companies also initiated steps to pay its drivers in compliance with the Order.

The respondent's past conduct;

114. In assessing an appropriate penalty, I am mindful that the Companies have each been previously determined to be in breach of the *Act* for failing to pay the regulated rates but the Commissioner exercised his discretion and did not impose an administrative penalty. The Companies have also been the subject of one previous audit each in which they were found compliant with the *Act*. However, each breach in this case is serious and protracted and consequential and has generally warranted serious administrative penalties.

The need to demonstrate the consequences of inappropriate conduct to those who enjoy the benefits of having a CTS licence and *the need to deter licensees from engaging in inappropriate conduct,*

115. Container truckers are historically vulnerable, and the *Act* is intended to protect drivers from licensees who seek to exploit them in any number of ways, including by withholding pay. In this case, some of the drivers were encouraged to deceive the very office that was established to ensure that they are properly compensated. The administrative penalty must reflect the severity of the Companies' misconduct and be sufficiently high to deter these Companies, and others, from similar misconduct.

116. In this case, the Companies engaged in calculated attempt to conceal the fact that they were engaged in wage theft.   The evidence of their many contraventions was uncovered bit by bit throughout the audits and as late as the investigation in December 2025. The result was that it was difficult to determine if a breach (or how many breaches) occurred until all the evidence and submissions were considered and this delayed any remedy to the drivers.

117. The challenge in cases involving drivers who were discouraged from bringing forward complaints – because they feared for their jobs is that any severe penalty, including suspension or termination of the

licence, will result in the very thing they feared. This will not be lost on other licensees who may be tempted to use such an outcome to dissuade drivers from coming forward. This is why the Commissioner has established in the Truck Tag Management Policy a provision allowing the awarding of additional truck tags to licensees under extraordinary circumstances. In the past, the loss of employment due to a cancellation of a licence has been considered an "extraordinary" circumstance and truck tags assigned to a cancelled licence have been moved to other licensees to allow the impacted drivers to continue to work.

118. In Gulzar Transport Inc. and Jet Speed Transport Inc. (CTC Decision No. 12/2019) – Decision Notice, ("*Gulzar*") the Commissioner balanced the interests of the drivers whom the *Act* is intended to protect against the overall stability of the industry:

> The impact of a licence cancellation on employees (including drivers) is the factor that weighs most heavily against cancellation. The *Act* is beneficial legislation intended to improve working conditions for drivers and ensure that they are fairly and consistently compensated for their work. Its remedial purpose dictates that driver welfare must be a foremost consideration when assessing penalties. Yet, in considering their welfare, the immediate, potentially negative impact of a licence cancellation on drivers working for a licensee should be weighed against the positive, wider impact that the removal of non-compliant companies from the sector will have on industry stability and the longer-term prospects of all drivers.[7]

119. I agree that any penalty must be weighed against impact it will have on the longer-term stability for all drivers.

Orders made by the Commission in similar circumstances in the past.

120. In Royal City Roadline Transport Inc. (CTC Decision No. 08/2024) the licensee was issued administrative fines of $2,000 for*, inter alia*, not paying the regulated rates ($368.22) for overtime.

121. In Hap Enterprises Ltd. (CTC Decision No. 17/2016) and Smart Choice Transportation Ltd. (OBCCTC Decision No. 21/2016), the licensees were issued administrative fines of $4,000 and $8,000 respectively for, *inter alia*, not having accurate payroll records.

122. In Quality Forest Products Ltd. (CTC Decision No. 08/2025), the licensee was issued an administrative fine of $100,000 for, *inter alia*, altering payroll records provided to the auditor and failing to pay its drivers a total of $81,843.97.

123. In Embassy Transportation Inc. (CTC Decision No. 09/2025), the licensee interfered with the auditor's investigation by refusing entry to the premises in breach of section 32(3) of the *Act* and was found to owe its drivers a total of $246,429.50 over approximately 18 months. An administrative fine of $100,000 was issued.

124. In Rideway Transport Ltd. (CTC Decision No. 09/2021), the licensee was found to have breached section 24 of the *Act*, section 24 of the *Regulation* and Appendix A section 1(h) of the CTS licence when it solicited cash rebates of approximately $1,800 from its drivers, failed to pay its drivers in the required

[7] Section D – Conclusion.

timeframe, and coerced two drivers into signing letters agreeing to refund some of their compensation in exchange for their final pay. The Commissioner issued a $50,000 administrative penalty.

125. The decisions cited above concern fewer infractions and/or infractions on a smaller scale and smaller amounts owing. The Companies here have breached many provisions of the *Act, Regulation* and licence, including those prohibiting retaliation against drivers. In this case, the Companies not only repeatedly failed to meet their legal obligations, but their repetitive and coordinated efforts to hide their under-compensation by providing altered documents and coercing drivers escalates the seriousness of the offence and this should be reflected in the penalty.

126. In Roadstar Transport Company Ltd. (CTC Decision No. 01/2019), the licensee was found in breach of section 28 of the *Act* after refusing to pay a driver $20,000 in wages previously awarded and telling him to sign a document saying he had received the wages when he had not. The Commissioner cancelled the licensee's licence.

127. In Safeway Trucking Ltd. and Coast Pacific Carrier Inc. (CTC Decision No. 04/2022), both licensees underpaid drivers a total of $141.379.59 and were found in breach of section 28 after making repeated attempts to determine who had complained to the OBCCTC and cancelling or threatening to cancel the Complainant's truck insurance. Again, the Commissioner cancelled the licensee's licence.

128. I adopt this approach and add that frauds of these types are not impulsive but are premeditated and rationally planned and the kind of offenses that require specific and general deterrence.

129. Licence cancellation has also been merited where amounts owing to drivers were high. In Pro West Trucking Ltd. (CTC Decision No. 14/2024) - Decision Notice, the licensee failed to pay its drivers more than $2 million in wages between 2016 and 2021 and its CTS licence was cancelled. In *Gulzar*, the licensees' licences were cancelled after it was determined both companies underpaid drivers a total of over one million dollars over a five-year period.[8] While the amount owing in this case is not as high, the Companies have a significantly smaller fleet of drivers[9] and therefore I find that the amount owing is comparable.

130. I have decided that cancellation of the Companies licenses is appropriate. In assessing an appropriate penalty, I am mindful that the Companies have been the subject of two previous audits, one resulting in an order for payment to drivers and another finding compliance. In this case, the Companies have again failed to pay drivers in accordance with the Rate Order (including by making improper deductions), and they have also failed to maintain proper payroll records, failed to pay drivers within the regulated timelines, coerced drivers to misrepresent what they were paid, and coerced drivers to retract their evidence. But for the courage of some of the IOs, the Companies' claw back of their earnings –would not have been discovered. But for the Order, payment to the drivers may have been delayed even longer. I find the Companies' significant underpayment of the IOs and the coordinated and continuing efforts to conceal this claw back through coercion of drivers to be the worst possible type of non-compliance and the harshest penalty is necessary to address it.

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[8] The decision was remitted back to the Commissioner for reconsideration by consent on the basis that the decision to cancel the licence was moot as the term of the licence had expired. In Gulzar Transport Inc. and Jet Speed Transport Inc. (CTC Decision No. 12/2019) – Reconsideration, the Commissioner issued the maximum administrative penalty of $500,000.00

[9] The Companies have 37 truck tags compared to the approximately 70 truck tags assigned to Pro West and Gulzar/Jet Speed.

131. I am also mindful that the Companies have delayed payment in significant amounts to their drivers between the August 1 to November 30, 2025 pay periods and that any additional delays may mean that the amounts owing will exceed the Companies' security. My immediate concern is that the Companies may be motivated to continue with the "claw backs" and delays to keep them solvent. I infer from the introduction of the "port fee" deduction and the increased "parking fee" and the recent complaints about delayed payment of wages that the Companies are having financial difficulties. Given that the Companies' monthly payroll is approximately $100,000 and this decision requires the Companies to repay drivers in excess of $300,000, I am concerned that the licensees' attempts to underpay and/or delay payment to drivers will continue and the drivers will not be paid for the work performed if the amount they are owed exceeds the licensees' security. In Pro West Trucking Ltd. (CTC Decision No. 08/2023), the licensee engaged in a series of protracted challenges to the Commissioner's jurisdiction to issue particular orders and the delays ultimately resulted in Pro West's drivers being owed in excess of $600,000 because the amount owing exceed Pro West's bond. It is important to keep this from happening again.

132. In the result, and in accordance with sections 9 and 34(2) of the *Act*, I hereby give notice that:

a) I propose to cancel Amalgamated's CTS licence seven (7) days after the decision notice is issued;
b) I propose to cancel AC's CTS licence seven (7) days after the decision notice is issued;
c) I order Amalgamated to pay the four company drivers identified in the Amalgamated Audit Report a total sum of $1,270.63 ($31.68, $117.77, $241.46, and $257.40) for daily overtime earned for July 2023 through December 15, 2023 and February and August 2024;
d) I order Amalgamated to pay B.S. $150.48 for regulated work performed on July 25, 2023;
e) I order AC to pay the 15 company drivers identified in the AC Audit Report a total of $3,480.67 ($168.80, $72.20, $30.37, and $3,209.30) for hours worked and overtime in May and July 2023 and March and October 2024;
f) I order AC to pay IO G.N's two IEOs identified in the AC Audit Report a total of $2,654.25 ($218.62, $942.37, $1,436.89, and $56.38);
g) I order AC to pay IEO B.S. wages in the amount of $11,287.92 earned during the AC Audit Period;
h) I order AC to provide wage statements issued to IEO B.S. and proof of his receipt of payment (e.g. cancelled cheques, etc.) during his employment with IO S.S. (except for the AC Audit Period).
i) I order the Companies to repay the IOs any deductions made for parking since December 1, 2024.
j) I order Amalgamated to pay $140,311.13 ($107,003.57 and $33,307.56) and AC to pay $230,666.17 $169,134.71 and $61,531.46) to Amalgamated and AC IOs respectively for improper fuel deductions in the respective Audit Periods and Audit Scope Periods. Given the manipulation of the payroll records and the absence of wage statements provided to the drivers, I have determined these amounts based on the best available evidence.
k) I order the Companies to provided payroll records between May 1, 2023 (the date the overtime rates became effective) and the date of this decision (except for the Amalgamated pay periods in July 2023 through December 15, 2023 and February and August 2024 and the AC pay periods in July 2023, and March and October 2024) so that the auditor can ensure compliance with the overtime rates set out in the Rate Order;

133. The Companies must provide evidence of completion of the orders, including calculations and proof of payment, to the Registrar no later than 15 days after the date of this decision.

134. The Companies have 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.

135. If the Companies provide a written response in accordance with the above, I will consider that response and I will provide notice to of my decision to either:

a) Refrain from imposing any or all of the proposed penalties; or

b) Impose any or all of the proposed penalties.

136. This decision will be delivered to the Companies and will be published on the OBCCTC's website after the Decision Notices are issued (www.obcctc.ca).

Dated at Vancouver, B.C. this 17th day of March 2026.

Glen MacInnes
Commissioner