Truck Licensing Reform

Frequently-asked Questions

What is the Truck Licensing System?
The Truck Licensing System, commonly known as TLS, currently issues licences to authorized container trucking companies who serve Port Metro Vancouver and register their company-owned trucks. Additionally, permits are issued to independent owner operators, drivers who own their trucks and contract themselves to the licence holders. All registered trucks under each company licence and independent operator permits transport marine containers that hold import and export goods, and travel between the port marine terminals where containers are taken on and off vessels and transported to warehouses, distribution centres and many retailers.

When will the new system be finalized?
The details of the new system are being shared with trucking stakeholders and will be finalized along with related provincial regulations in the coming days.

Why is the system being reformed?
As is the case at many ports, the container trucking sector at Port Metro Vancouver has been unstable for some time. Changing the TLS is one of many changes to the sector as a part of Port Metro Vancouver’s 2013 Smart Fleet Trucking Strategy, and further supported by the Joint Action Plan announced by the federal and provincial government in March 2014.

In their report released on October 15, 2014, Vince Ready and Corinn Bell noted an understanding among stakeholders of the need for change to the licensing system.

The goal of the new licensing system is to balance the number of registered drayage, or container, trucks with the amount of available work and bring stability to port operations.

The current truck licensing system is not responsive to the normal fluctuations of supply and demand in the marketplace and there are currently too many trucks registered for the work available. This has caused intense competition between trucking companies, not enough work for many drivers and reports that some trucking companies are not paying fairly. The new licensing system will bring a more natural balance between the number of registered trucks and the number of available truck trips.

How many trucks will be lost?
Detailed analysis has been done based on GPS data available from all operating trucks currently registered to serve the port. Preliminary findings indicate there about 300 to 700 more trucks currently registered than required in this marketplace.

What are the key changes to the Truck Licensing System?
Full details of the key changes for the new system will be released in the coming days, but the proposed changes are outlined in the Input Consideration Memo shared with all current TLS license and permit holders.

In general, only trucking companies will be directly granted access to Port Metro Vancouver. The new system includes a minimum annual charge of $35,000 to participate. The charge includes the cost of the licensing aspects of the TLS, including oversight and enforcement. Trucking companies will also be required to secure compliance bonding and provide a damage deposit to ensure cost recovery for things such as non-payment and/or underpayment of driver rates and damage to port property, respectively.

To meet environmental improvement standards, only currently approved 1994 or newer trucks retrofitted with a Diesel Oxidation Catalyst (DOC) will be permitted to access the port. By 2019, the entire TLS-approved drayage fleet will meet the Port Metro Vancouver target goal of a rolling, maximum truck model age of 10-years-old or newer.

The new TLS Policy reflects the enhanced provincial audit program and a provincial trucking commissioner established pursuant to the new BC Container Trucking Act and regulations expected to come into force in early December.

**How will the new access agreements and licences be distributed?**

All current licence holders in good standing will have the opportunity to apply for participation in the new system.

Trucking companies will be able to apply for a number of “truck tags” up to the total current trucks they have approved on their TLS fleet profile.

Only companies that meet the new entry standards will be accepted in the reformed TLS program.

**Will truckers who won’t be registered in the new TLS be given any assistance?**

To ease the transition, a support program is proposed to assist owner-operators currently holding an approved TLS permit who are displaced, or do not qualify, under the new requirements for the TLS Policy. This group of drivers will be entitled to an amount equivalent to up to $15,000 each. The final amount will be based on the number of days they have recently served the port. In addition, they will be given administrative assistance to help them dispose of their trucks if they so choose.

**How will the changes bring stability to Port Metro Vancouver?**

The new licensing policy, as well as the other changes brought about by the provincial and federal governments, is intended to ensure there is balance between the supply of trucks with the demand for trucking services. These changes will position Port Metro Vancouver’s container trucking sector as a world leader in port trucking.

**What is the purpose of the legislation introduced by the provincial government?**
Both the provincial government and Port Metro Vancouver have an interest in trucking. As an agent of the federal government, Port Metro Vancouver controls access to marine container terminals located on port lands. The provincial government has responsibility for labour and intra-provincial trucking and is in the process of enacting legislation that will prescribe rates of remuneration applicable to certain container trucking services within the Lower Mainland that require access to a marine terminal. We are all working together to stabilize the Lower Mainland marine-related container drayage industry.

**Who has/will be consulted regarding the changes to the truck licensing system?**

As directed by the Joint Action Plan, the first phase of consultation included a series of discussions with trucking companies, driver unions and associations (Unifor, Teamsters and United Trucking Association), terminal operators and importers and exporters. The second phase took place in November 2014 and was intended to fine-tune the details of the proposed new truck licensing system, with an even broader audience. As part of the proposed new TLS policy, veteran mediator Vincent Ready and Corinn Bell’s report and recommendations on October 15 have been considered and incorporated where applicable.

**What are the next steps?**

Applications will begin to be accepted from trucking companies once the reforms are finalized along with the related provincial regulations. The new policy will be in effect by February 1, 2015.