

DECISION

2018 NSUARB 60
M08468 and M07432

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE MOTOR CARRIER ACT

- and -

IN THE MATTER OF the continuation of the Show Cause proceedings of **STOCK TRANSPORTATION LIMITED M07432** and its school bus services under Motor Carrier License No. P00595 and the addition of Motor Carrier License No. P02714 (the Licenses)

BEFORE: Dawna J. Ring, Q.C., Member

APPLICANT: **STOCK TRANSPORTATION LIMITED**
Michael P. Scott, LL.B.
Sarah Emery, LL.B.

INTERVENORS: **HALIFAX REGIONAL SCHOOL BOARD**
ANNAPOLIS VALLEY REGIONAL SCHOOL BOARD
John MacPherson, Q.C.

BOARD COUNSEL S. Bruce Outhouse, Q.C.

HEARING DATE: February 12-14, 2018

DECISION DATE: **March 22, 2018**

DECISION: **In addition to Stock's initiatives, and with its input, it has agreed to additional directives.**

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I INTRODUCTION

[1] This was a continuation of the Show Cause proceedings where, in its Decision of November 14, 2017, the Board found Stock Transportation Limited (Stock) had operated contrary to its Licenses and had breached numerous provisions of the *Motor Carrier Act*, R.S.N.S. 1989, c. 292 (*MC Act*), *Motor Vehicle Transport Act*, R.S.C. 1985, c. 29 (3rd Supp.) (*MVT Act*), *Rules, Regulations, and Orders*.

[2] By Order dated November 20, 2017, the Board gave Stock an opportunity to provide plans and recommendations to address the breaches and concerns as they may impact its operation of the school bus services. The Board would hold a hearing and determine what, if any, terms, conditions or orders may be appropriate for Stock's school bus services.

[3] The Board's main concern is the safety of the school children and public.

[4] It was agreed that this subsequent portion of the proceedings would address all school bus services Stock operates in Nova Scotia, being Motor Carrier Licenses P00595 and P02714 (Licenses).

[5] The Halifax Regional School Board and the Annapolis Valley Regional School Board requested, and by consent, were granted intervenor standing in these proceedings.

[6] The proceedings advanced under the *MC Act*.

[7] Stock filed written documentation at the end of November 2017, to illustrate how it has addressed the breaches and concerns found and raised by the Board, including its processes and procedures and examples of its educational materials. Troy Phinney

is no longer with the Company, which has a new corporate structure with a separate Canadian division.

[8] Witnesses appeared from the head office of the North American operation of the National Express Company (National Express) and from the head office and local offices of its Canadian subsidiary, Stock (either or collectively the Company). John Cook, Employee Relations Officer for Stock's unionized drivers with the Nova Scotia Government General Employees Union (NSGEU) testified, as did Inspector Terry Preeper from the Motor Carrier Division (MCD) of the Department of Transportation and Infrastructure Renewal, the latter under subpoena.

[9] The Board is satisfied the culture exhibited by Stock in Nova Scotia under Mr. Phinney's direction is not the culture of the Company or Mr. Phinney's supervisors. Stock operates two customer service centers (CSC) in Nova Scotia, being Cambridge and Dartmouth. The former was basically left alone whereas Dartmouth's culture has been impacted.

[10] The Board finds Stock has taken many positive measures and is receptive and willing to embrace directions of the Board, which included the recommendations of the School Boards, the specifics of which are outlined in the Conclusion section of the Decision.

II BACKGROUND

[11] In the November 14, 2017 Show Cause Decision, the Board found Stock had repeatedly operated its public passenger vehicles, including its highway motor coaches (HMC) and school buses, as it wished. It acted contrary to the *Acts, Rules,*

Regulations, its Licenses, and Orders (collectively also "law"), even drivers' safety regulations, and was cavalier about these.

[12] The Board also found Stock repeatedly conducted itself in a manner to hide its delinquent operations from being detected. It did not answer the questions of the Inspector and Director of the MCD; provided misleading and/or incomplete information to them; and in one instance, gave false information to a customer to forward onto the MCD. For some operations, it did not generate its normal business records such as not recording the movements in its computer programs or maintaining any documentation including those required to be kept with drivers' daily logs to ensure compliance with the *Regulations*.

[13] When its delinquent operations were detected and it was ticketed, Stock attend at court and paid the fines, if ordered.

[14] Much of the information became known to the Board through the Show Cause hearing and often only after most of the other witnesses had testified. The Board found Stock provided false, misleading and/or incomplete information to the Board, including failing to provide full and accurate responses to Information Requests (IRs). At times, its evidence was evasive, incomplete, and/or appeared made up as the proceedings advanced. Little information was brought before the Board to address some of the issues.

[15] The Board found Stock had failed to operate in accordance with the *Acts*, *Orders*, *Rules*, *Regulations* and its Licenses as follows:

1. used its HMC to transport passengers from and/or to the Province of Nova Scotia contrary to section 4 of the *MVT Act*;

2. used its HMC to transport students from Newbridge upon a highway within the Province of Nova Scotia, contrary to s. 7(1) of the *MC Act*;
3. used its HMC and its school bus Vehicle Unit No. 25486 to transport students from Newbridge free of charge, contrary to s. 22 of the *MC Act*;
4. failed to make the HMC available or use the HMC for the purposes set out in the Licenses;
5. resisted and willfully obstructed inspectors in the execution of their duties and powers by not cooperating and providing all requested information to the Motor Carrier Division, contrary to s. 35(2) of the *MC Act*;
6. failed to charge rates for charter services in conformity with its Licenses contrary to s. 22 & 23(1) of the *MC Act*;
7. leased its HMC with Newbridge for the transport of students, contrary to s. 7(1) & s. 22 of the *MC Act*; and
8. the following breaches which became known to the Board in the proceedings:
 - (a) misled the Board;
 - (b) joined two licenses together without authority to do so contrary to s. 8(g) of the *Board Public Passenger Motor Carrier Act Regulations*;
 - (c) transported school officials from the Halifax Regional School Board contrary to its Licenses;
 - (d) in addition to the above breaches, used various vehicles including its school and activity buses and HMC, and/or operated school bus services, contrary to s. 7(1) of the *MC Act*;
 - (e) demanded its drivers drive the HMC after they exceeded their permitted hours of being on duty contrary to s. 12(2) of the *Commercial Vehicle Drivers Hours of Service Regulations* under the *MVT Act*; and
 - (f) requested its drivers falsify their Daily Log contrary to s. 86(2) of the *Commercial Vehicle Drivers Hours of Service Regulations* under the *MVT Act*.

[16] The Board found Stock's conduct exhibited a deficiency in its fitness and willingness to provide safe, quality and proper services in accordance with the *Acts*,

Rules, Regulations and Orders, including the safety *Regulations*. Stock also failed to demonstrate a commitment to implementing the law.

[17] Stock's repeated demands that its drivers drive after their regulated permitted 16 hours on-duty were very disconcerting to the Board as it is essential to the safe operation of these large vehicles which can cause serious injury or death to passengers on board, as well as to others travelling on the highway, if an accident occurred.

[18] By terminating the employment of the two non-unionized employees who resisted these demands, the Board found that, as the Regulator, Stock sent a message to its other employees that they are to do as they are told, or they could lose their jobs.

[19] The totality of these breaches was a significant concern for the Board.

[20] After considering all facts, arguments, breaches, and s. 13 of the *MC Act*, the Board decided not to cancel Stock's Licenses in their entirety, but provided Stock with an opportunity to present recommendations to address all breaches and concerns set out in the November Decision as they relate to its current school bus services. Safety of the school children and public were and are paramount.

III ISSUES

[21] Considering the Show Cause breaches and concerns, what, if any, terms, conditions and/or orders are appropriate for the school bus services?

IV EVIDENCE

1. Values and Mission

[22] The Employees Handbook (also Handbook) begins with the Company's Vision and Mission statements, and Values, in reverse order:

OUR MISSION

Getting students to school safely, on time and ready to learn.

OUR VISION

We aim to earn the lifetime loyalty of our customers by consistently delivering excellent value through frequent, highly performing services.

VISION & VALUES

EXCELLENCE

We constantly strive to be excellent in all that we do.

SAFETY

We only do what is safe and stop any unsafe behavior.

CUSTOMER

We place them at the heart of our business and relentlessly meet their expectations.

PEOPLE

We develop the talents, reward the exceptional performance and respect the rights of all our employees.

COMMUNITY

We are active in the communities we serve to generate economic, social and environmental value.

[Exhibit S-3, Tab 14, pp. 9-10]

2. Matthew Edward Ashley

[23] Matthew Edward Ashley of Chicago, United States, is the Chief Executive Officer and President of National Express for North America, of which Stock is a subsidiary for the Canadian operations. He is also a specialty Director with National Express.

[24] Mr. Ashley was an accountant with Arthur Anderson and Deloitte before starting with National Express in the United Kingdom eight years ago. He was the CFO with oversight of three geographical areas: United Kingdom, Spain and North America. He would attend monthly meetings of the senior executive in North America and every other month would visit Canada. After three months' training with his predecessor, Mr. Ashley became the CEO of North America on September 2017. His experience included taking a bus as a child when living in Florida and he lived two years in Canada between 1999 and 2001. The former may seem unimportant, but the Board thinks it is a benefit. Many people have never taken a school bus.

[25] Mr. Ashley testified National Express is listed on the United Kingdom stock exchange. It is one of the largest bus companies in the world. In North America, it transports a half million people everyday. In Nova Scotia, Stock transports 28,000 people everyday being 23,000 from its Halifax CSC and 5,000 from its Cambridge CSC.

[26] As the CEO in North America, Mr. Ashley is responsible for everything. He directs the resources of the Company and he delivers its values. The foremost is safety. Its strives to provide excellent services and operates within the law and its Licenses.

[27] Mr. Ashley stated he was not aware of these proceedings until the Board issued its Decision in November of 2017. He was shocked when he read it and immediately advised counsel he wanted to be present for the continuation of these proceedings.

[28] Mr. Ashley testified National Express/Stock has multiple systems and reporting processes to always know where its assets and drivers are. Its systems are advanced, computerized, and new technology is revolutionizing how it provides safe

services to its students. He stated National Express/Stock has the best first class set of procedures, policies and monitoring in the school bus business. The reporting is robust and transparent. Unlike the charter market which can be *ad hoc* in nature, school bus services are very structured.

[29] In his opinion, the deficiencies identified by the Board were not the result of any insufficient training, safety regimes, policies, or resources, but lay in an oversight in the management. The previous structure for its operations in Canada combined the north-east areas of North America. When Mr. Phinney's immediate supervisor left the Company in April of 2016, his closet reporting supervisor would have been Wes Richards, responsible for the northeastern operations of all of North America. In Mr. Ashley's observations, it would appear Mr. Richards had too much to oversee. Although there was the above structure on paper, in reality it was not an effective management of Mr. Phinney's operations.

[30] On behalf of Stock, Mr. Ashley apologized and stated the Company accepts responsibility for the lack of oversight over Mr. Phinney. Mr. Phinney left Stock on approximately July 5, 2017. Mr. Phinney's conduct was contrary to how Stock does business.

[31] Mr. Ashley explained some of the processes, monitoring and technology Stock uses to provide safe transportation services while other witnesses expanded upon certain components. Stock collects data on and analyzes 12 Key Performance Indicators (KPI) which generally all relate to and seek to improve on safety and the quality of the services it provides. In addition, it has videos on all vehicles (CCTVs), GPS systems, and a Zonar electronic system. In August of each year, every employee is given the

voluminous Handbook (more than 150 pages) which includes the Company's processes, procedures, Vision and Mission statements. Amongst those processes is a third-party administered whistle blower policy and Due Process procedures. Educational programs are provided to them throughout the year.

[32] The CCTV provides a continuous video feed. Unfortunately, it does not distinguish or prompt when there is a problem. To find a problem, someone has to view four to five hours per day for each vehicle. One of the new technologies Stock will be introducing is a DriveCam system. National Express expects to have this across Canada by the end of 2019. It is mounted in the vehicle with two camera lenses: one looking out onto the road and the other looking at the driver. The DriveCam has a g-force meter connected to the camera. If the brakes are applied forcefully, a video clip is taken five seconds before that event and 15 seconds after. The feed is then sent to a call center where it is reviewed to filter out things like potholes or speedbumps. The others (approximately 25%) are analyzed to see whether the bus was traveling too close to the vehicle in front of it.

[33] The reason for introducing a DriveCam is to try to discern and reduce preventable accidents that are driver error and not the maintenance of the vehicle. The DriveCam and the other technologies noted below have been used to improve drivers' experiences. When an issue arises, such as driving too close to the vehicle in front of it, Stock's focus is on training the drivers and improving their driving practices.

[34] The Company has a zero-tolerance policy for the use of cell phones. Both the CCTV, and DriveCams help to identify if, and/or when, a driver is using an earbud.

[35] Stock also has a Zonar system. The drivers have a wand which will be described in more detail below. It is used for pre- and post-trip inspections of the vehicle. The drivers swipe in on the system when they begin work and swipe out when they are finished. Or they contact the dispatcher.

[36] The vehicles also have a GPS system that provides information not only on where the bus is located, but its speed. One of the KPIs relates to speeding. The Company is able to see on a map where the speeding occurred such that they can then determine what the actual speed limit is on the road. This information is connected to its computer system such that the Managers are able to view it. Through this, speeding has been reduced significantly. The Cambridge CSC has reduced its speed the most of any service center in Canada. This KPI is measured on minutes of speeding per 10,000 miles driven. Cambridge, he believes, is down to three minutes of speeding per 10,000 miles.

[37] Stock's procedures include keeping track of virtually everything in relation to the business, including where the vehicles are going, for what purpose, for what customer, the vehicle's maintenance, etc. Mr. Ashley stated that in order for Mr. Phinney to have done what he did, he would have had to have removed the GPS system from the vehicles. He also would have either had to pay the drivers cash or to have manually overwritten its computerized systems.

[38] Drivers hours and logs are to be utilized and maintained.

[39] Stock has a whistle blower policy, called the Employee Hotline (Hotline Policy). It begins as follows:

It is the intent of the Company to adhere to all laws and regulations that apply to the organization and support the organization's goal of legal compliance. The support of all employees is necessary to ensure compliance with various laws and regulations.

[Exhibit S-3, Tab 19, p. 38]

[40] The Hotline is administered by a third party off site. Any employee may contact the 1-800 number. An employee may complain anonymously or give her/his name. The complaint is typed and sent to Stock's legal counsel who reviews and oversees the investigation.

[41] Complaints are also dealt with internally. Internal audit reports are sent to Stock's legal counsel. There are not specific timelines for these, as some issues, such as sexual harassment, can be sensitive and are not always benefited by arbitrary deadlines.

[42] Stock has changed its corporate structure with a separate Canadian division. Terri Lowe is its Chief Operating Officer (COO) and Senior Vice-President. She reports directly to Mr. Ashley. Under Ms. Lowe, there are national Directors heading various departments and two Regional Directors. Crystal Truax is in charge of the Eastern Canada CSCs, being those in Nova Scotia and smaller ones in Ontario. Each CSC has its own General Manager. In Dartmouth, this is Amber Glavin and in Cambridge, Tina Coldwell.

[43] Ms. Lowe was hired in June of 2017. When she first came to Dartmouth and started to ask questions about its operations, some of the problems with Mr. Phinney became evident. Mr. Phinney's employment with the Company was terminated on approximately July 5, 2017. Mr. Ashley stated it was his understanding that Mr. Phinney has gone back to work with his old boss at First Student, which is a competitor of Stock's in the school bus service industry. It is Mr. Ashley's opinion, that based on the Board's decision, Mr. Phinney should not be working in this Industry.

[44] Mr. Ashley testified Mr. Phinney's resistance to providing buses for inspection is totally unacceptable. He stated National Express takes great comfort in the fact that 60% of its vehicles are inspected by third parties, such as the MCD in Nova Scotia. National Express sees this as a benefit to its vehicles. The more people that look at the vehicles, the better it is to identify any concerns.

[45] Mr. Ashley stated that since Ms. Lowe came to Stock, she has been conducting a review and audit of each of the Canadian CSCs. These have been done in tandem with Ms. Truax for Eastern Canada since she began work in August of 2017. Where they have found gaps, they have worked to fix them. They have also included new initiatives, the implementation of which will continue. Putting into place the Company's procedures and policies in the Dartmouth CSC has been one of those gaps, which both of them will speak to.

[46] Ms. Lowe noted the Hotline Policy was in place, when the breaches outlined in the Board's Decision occurred. Stock also had policies that it operates in accordance with its Licenses, law and *Regulations*. Staff are never expected to act contrary to the *Rules and Regulations*. No employee will be retaliated against if they refuse or complain. Policies in the Handbook confirm these. Ms. Lowe identified that although the Hotline Policy may be present, it is possibly not as well known to the employees. Consequently, Stock has taken a number of steps to counteract this, including placing posters of the Hotline Policy in all of its CSC locations which it had not done before.

[47] Mr. Ashley wanted to distinguish between the abuse of power by Mr. Phinney, and the other employees and drivers within Stock. The latter are people that are part of their communities with families, and often the drivers will carry their own

children. They are connected to these communities. They and Stock are different from how Mr. Phinney conducted himself. Mr. Ashley indicated this has been a very difficult time for the Company. It has also been difficult to recruit drivers. Stock looks forward to moving away from these problems, as quickly as possible.

[48] Mr. Ashley closed his evidence, as it began, by confirming Stocks full compliance with the Board and the Law of Nova Scotia are a priority. Stock remains committed to working with the Board to achieve full and effective compliance.

3. Terri Lowe

[49] As COO and Senior VP for Stock, Ms. Lowe is responsible for the overall operations of Stock in Canada including safety, compliance and financial performance.

[50] Ms. Lowe works from Stock's head office in Markham, Ontario. She joined Stock in June 2017. She has approximately 15-20 years' experience in operations, primarily in retail and manufacturing sectors with Walmart Canada, Sears Canada, Home Depot and with her family's manufacturing business of dog treats. In her latest job with Walmart, where food and baby products are a heavily regulated industry, she was responsible for the day-to-day operations, safety and regulations.

[51] Ms. Lowe stated that although she has no specific transportation experience, her past experience in operations has many similarities with various industries, including transportation. Knowing the specific *Regulations* and following the *Rules* and procedures of operations is the same.

[52] Ms. Lowe stated that in a leadership role one is responsible to ensure the workforce has engaged employees, customers are happy, and employees are executing

the processes the way the Company wants it done. Once policies are in place, it is important to have regular cadence verifications and business reviews for financial, safety and other compliance metrics. Stock has a variety of different ways it measures and validates performance. One has to purposely go around them not to be caught.

[53] Ms. Lowe stated in her first two weeks, she was learning at other regions and only had a few weeks of overlap with Mr. Phinney. Therefore, she had very little interaction with him.

[54] With the new organization structure, Ms. Lowe's first priority was to repopulate the Canadian head office. She has directors of human resources, finance, maintenance for Canada, area safety, business development and two Regional Managers, one for Western Canada and one for Eastern Canada. Every Monday this group meets.

[55] Ms. Lowe recruited people she had worked with in the past like Ms. Truax, because she believed they had the skill set "to be successful in a highly regulated environment where process is extremely important" (Transcript, p. 47). She removed herself from the interview process.

[56] Ms. Truax reports directly to Ms. Lowe. They speak several times a day, everyday, sometimes seven days a week. She picked Ms. Truax as she is an exceptional leader with people. She stated Ms. Truax has met with drivers in Nova Scotia, a number of them personally. She has an open-door policy. She is brilliant at getting people to follow processes and explaining the reason for them. Ms. Truax joined Stock in August/September 2017.

[57] Ms. Lowe confirmed the primary goal in the restructuring of the Canadian operations is as noted in Stock's Brief, p. 8, para. 16:

The primary goal in restructuring Canadian operations has been to create a culture of responsibility, accountability, and excellence throughout Canada. It encourages touchpoints with all staff, including drivers, to ensure that all are adhering to company policies.

[58] On a weekly basis, they spend two hours in the office each Monday morning with the senior staff reviewing each CSC on the KPIs, in particular, safety, maintenance, and financial performance. If there is a problem, they work through it.

[59] Ms. Lowe regularly visits the various CSCs and has been involved with the Safety/Town Hall meetings with the drivers. She stated:

... And then we also have regular visitations. We do regular town halls, which is absolutely a company program where myself and the regional managers meet to meet with drivers – I think you spoke about that earlier – where we have to go and talk to drivers and get to know our drivers, and understand not only is there a whistleblower policy, but also there is a way for them to communicate with us. And so, our job is not just to lead and be strategic and be responsible for the financials of the organization, but it's to support our drivers to be able to do their jobs every single day and know that they have somebody they can reach out to, if there are issues.

[Transcript, p. 46]

[60] Since taking over in June/July, she has been in Nova Scotia approximately 10 (Transcript, p. 50) times. She regularly visits each CSC. She has spoken with the drivers and office staff. Ms. Truax has had Town Halls with all drivers.

[61] From Stock's extensive data, if management identifies issues or concerns, they raise it with the drivers. Stock also encourages the drivers to raise issues that are bothering them.

[62] Regarding the Hotline Policy, in Nova Scotia and across Canada, people did not seem to understand what it was about, that it is operated by a third party, they do not have to leave their names, and the issues would, generally, try to be resolved within 30 days. To overcome this, Stock did the following:

1. Attached the information about the hotline to everyone's pay stub;
2. Ms. Truax spoke of the policy to all of the staff/drivers in the Town Hall meetings across the province;
3. Posted it on every door in the CSC; for example, there is one on the General Manager's door;
4. Provided to all staff and drivers, the numbers for Ms. Lowe, the HR Director, Safety Director, and Ms. Truax's cell phone numbers; and
5. It will also be raised every three months at the drivers' monthly meetings.

[63] Regarding procedures and oversight within Stock's new structure, Ms.

Lowe testified:

- Q. Right. And that brings me to the, the larger point, and I'm hoping you can speak to it, which is it seems to be acknowledged that Stock has a number of processes...
- A. Yes.
- Q. ...and procedures, and it's, you know, it's a large organization. What assurances can you provide the Board that, that those policies and procedures are being implemented or, or that we can provide assurances that they will be implemented, that they simply won't be circumvented or, or walked around, as, apparently, they have been?
- A. I, it's, after reading everything related to the show cause hearing and the decision, someone would have to purposely circumvent our processes to miss something, and you know, Mr. Phinney had oversight of Nova Scotia, and also had oversight of the region, and I think we've identified that that was a miss and that there needs to be layers of oversight. I oversee what Ms. Truax does. Ms. Truax does, oversees what the general managers do. Mr. Ashley oversees what I do. And so, there is a cadence around verifying and checking that needs to occur, and that occurs through data primarily, but it also occurs through our customer service centre visits. We look through files. We know what's supposed to be in there. We hire third-party companies who are experts in each provincial area's regulations, that they can go behind us and validate that everything that's supposed to be in the files are in the files, and there aren't, it is our job to correct those. All of these things are happening. I know we weren't doing some of that under Mr. Phinney's leadership, but it is certainly happening now, and it is my job, as a director of the company, to make sure that it happens, and I'm personally responsible for that.

[Transcript, pp. 52-53]

[64] In addition to its safety policies and procedures, Stock hired a Safety Manager for Canada, George Georgopoulos. He had worked for Stock 10 years ago before pursuing a safety career. Consequently, he understands the *Regulations* for Nova Scotia and the Industry.

[65] Stock also hired a company called Compliance Safety Institute (CSI), owned by Gary Giles. It will train drivers and management staff at each CSC on the provincial *Regulations*. He will do this training twice a year and speak to the bus drivers quarterly. The job is to focus on everyone working in Nova Scotia, from the General Managers of the CSC to the drivers. Mr. Giles has already begun his work and has talked about the hours of service booklets and what documents need to be in Stock's files. If there is something missing, he will help train people and explain how to fix it.

[66] School bus drivers, generally, work four hours a day (some five); two hours in the morning and two hours in the afternoon. There is a machine on the bus where they swipe in to say they have arrived at work and when they are finished their run in the morning they swipe-out. Every day Stock reconciles the hours the drivers have worked. They are paid by the hour.

[67] In her first few weeks of employment, Ms. Lowe was training in the United States. When she came to the Dartmouth site, one of the first things she noticed were motor coaches and asked why Stock had them. She asked why they were there, what they were doing, how they were licensed and then made plans to have them removed from the Province.

[68] She did not hear about the Show Cause proceedings until just before the Decision was released. She advised no one talked to her about it. When checking the

metrics or data points, there were a number of things that were off, such as tracking employee expenses, including those of Mr. Phinney. As a result of these points, Nova Scotia was the first CSC she visited in the Country. In describing his office after he left she stated:

- Q. And I understand that there was an issue when you were going in and looking through Mr. Phinney's office. Was it the, his computer was gone?
- A. Yes. I mean, there were a variety of issues. When Mr. Phinney left, there was not much left in his office. Very little files, very little tracking of information. We could not find anything. We, his computer, he had taken his computer with him. His phone was missing. It was hard to find anything at all in his office, to be quite honest.

[Transcript, p. 61]

[69] One of the reasons Ms. Lowe came to Dartmouth was because after Mr. Phinney left, Ms. Glavin found out Stock was to be providing services for a Scout Jamboree charter, of which she knew nothing. There were no files or information that staff found to assist them in completing this charter. At the last minute, they had to try to assemble buses and drivers. Stock was issued tickets by the MCD and paid them immediately, as Stock had done something it was not supposed to do. As other contracts and charters came to light they were dealt with.

[70] Ms. Lowe stated one of the difficulties, obviously, was that Mr. Phinney was both the General Manager of the Dartmouth location as well as the Regional Manager. Upon his leaving, Ms. Glavin is now the General Manager and underneath her is an Operations Manager and Safety Manager.

[71] In comparing the operations between the Dartmouth and Cambridge CSCs, Ms. Lowe advised Cambridge is run exceptionally well:

- Q. Could you compare and contrast what you found in examining and auditing as between those two CSCs?

- A. I mean, there wasn't very much to look at in Cambridge, because Cambridge is run exceptionally well. It is one of our top customer service centres across the country. It is the number one on many different safety measures that we have. I think Mr. Ashley spoke earlier about speed and the results that they've seen with speed. And so, Tina does an exceptional job running that CSC. The challenges in the Dartmouth location really stemmed, as we've talked about, and I know we're repeating ourselves, but as a lack of follow-up and structure in the Dartmouth location. Mr. Phinney held two roles, did not follow the company programs. The safety measures and all of those seemed like, not that they weren't happening, but that they weren't being followed up or entered into our systems, which caused me to go to the Dartmouth location. And we, we did identify that all of our safety programs were actually being followed, but they weren't entering them into our system to allow us visibility to it, and that's what we have been working on with that particular location.

[Transcript, pp. 67-68]

[72] Ms. Glavin had been the Operations Manager and, therefore, had a very different role from Ms. Coldwell.

[73] The Company has KPIs which are objectively measured for numerous factors like speed, accidents and injuries.

[74] The information is uploaded to its computer systems and is available to all Managers throughout the organization. For example, Ms. Lowe would review them on a weekly basis, Ms. Truax would review them on a daily basis and Ms. Glavin would review them anytime.

[75] When she attended in Dartmouth, Ms. Lowe introduced herself to the Inspectors of the MCD. There was no set agenda. She wanted to introduce herself and assure them that if there were any problems with the maintenance facility or obtaining information, they could contact her directly.

[76] She stated the systems were always available in Dartmouth, and although the work was being done, it was not always recorded on in its systems. Therefore, the information was not readily available.

[77] Ms. Truax will hold conference calls (Planned Actual Variance (PAV) meetings) twice a week with each CSC General Manager to quickly review the KPIs and discuss any follow-up action plans for areas of improvement. Monthly, they will have a Business Review Meeting (BRM) in which the KPIs are addressed in more detail, deficiencies reviewed, and action plans developed to address them. Each Monday, Ms. Lowe has a two-hour meeting with her senior team in the head office where they will review the KPIs and the reports from the PAV meetings of the previous week.

[78] At the Safety/Town Hall meeting following the Board's Decision, Stock reinforced its commitment to safety compliance, hours of service, and the Whistle Blower hotline. These meetings were held with all drivers. The handouts from that meeting were filed with the Board. The whistle blower Hotline section of the Handbook was distributed to all employees.

[79] Ms. Lowe confirmed the steps Stock has taken to date to counteract any culture resulting from Mr. Phinney's management that staff were to do as they are told, even if it is contrary to safety provisions, or lose their jobs. This was addressed in the Town Hall meeting:

Q. But specifically, on the terms of "there will not be retaliation" ...

A. Yes.

Q. ...and Stock nor NEC expects them to ever take a command from a superior that's contrary to safety, that was clearly spelled out as well?

A. Yes, it was.

Q. And have all of your drivers gone through those town hall meetings?

A. Yes, they have.

[Transcript, p. 99]

[80] Employees are never expected to act contrary to the law, policies, etc. Stock also provided employees with information on the various people they can contact if, at anytime, they feel uncomfortable about what they are being asked to do.

[81] In the Due Process section of the Handbook at pages 36-38, the following provisions may prevent an employee from thinking this policy would assist them if they are being asked, by the Regional Manager or other supervisor, to do something contrary to the law:

However, it is not considered proper... if you have never attempted to resolve the matter with your local CSC management, ...

STEP ONE

A written request must be received by the applicable Region Manager within 14 calendar days of the act giving rise to the complaint. ...

[Exhibit S-3, Tab 19, p. 37]

[82] Ms. Lowe recognized this difficulty and reconfirmed Mr. Ashley's position that Stock is prepared to make changes where the Board has concerns. The Board told Stock to review its policies and redraft them to ensure they properly address specific problems like ones with Regional Managers. An additional provision should be included to ensure bus drivers do not carry items on the bus that are not permitted.

[83] For drivers working two jobs, Ms. Lowe commented they are required to keep their books up to date and provide their hours to Stock.

[84] With respect to being fatigued, she was not sure if there was a written policy, but stated that if a driver is tired, or does not feel they can do their route, Stock would certainly arrange for an alternate driver. She does not know if the drivers understand they are able to do this, even when they are not sick.

4. Crystal Lynn Truax

[85] Crystal Lynn Truax is Stock's Regional Manager for Eastern Canada. She assumed her role on August 4, 2017. She had spent 17 years in operations in the retail sector and the last 10 years in a senior management role. Her last job was as Store Manager for Walmart with 350 employees and several layers of management. The bulk of her career has been in operations where there were safety regulations, policies and procedures to ensure employee engagement and customer satisfaction. She was approached by Ms. Lowe, with whom she has worked directly and indirectly, about taking the position with National Express, which she eventually did.

[86] Ms. Truax oversees Stock's operations in the Province of Nova Scotia, as well as locations in Ontario, which are very small. Her role is to work with her General Managers in each CSC and their leadership teams to ensure they are transporting students on-time and safely everyday. She does this by ensuring the federal and provincial policies, procedures and regulatory requirements, are being followed and making sure staff are all educated about the law. She also follows up with the customers to fully understand whether Stock is providing the services it has been contracted to provide.

[87] Typically, she is in Nova Scotia from Tuesday to Thursday and sometimes Friday. Over the last three months, she has been here every week. In addition to reviewing the metrics for each of the 12 KPIs, she also finds it very important to walk through the maintenance shop and the yard. Even though she can see the data, she will often get more information about the operations by actually viewing them and speaking

to employees. In response to why she does not just obtain the information from reports, she explained:

Well, that would certainly not be how I lead, as a leader. I've been in, in, as I said, in my experience, in a senior position, and often, you get your best advice, your best feedback, from your folks on the ground. I could simply, I could simply stay in Markham and look at reports, if I felt that was going to allow us to move the needle, but that certainly will not be the case. I really want to understand is my general managers, my, the other operations, safety, all the leaders, and are they doing the things we want them to do? Have they built a culture where people want to come to work, they enjoy where they work? Are we part of the community? How does the customer feel? I would never know those things from a report.

[Transcript, p. 113]

[88] Ms. Truax described the computer systems in more detail. Zonar has a wand. The driver swipes into the Zonar which tells the Company they are working. The bus has seven Zonar "tabs", three in the interior and four on the exterior. Various questions or prompts about the pre-trip inspection of the vehicle are presented upon the driver pointing the wand at each tab. The interior prompts include a question to do a child check to ensure no child fell asleep on the way to school. The Company has also adopted, from CSI, pre-trip logs so the driver is doing this both electronically as well as on paper.

[89] The Zonar is also attached to the GPS on the bus which records speed and location information.

[90] The 12 KPIs include accidents, injuries, idling, preventive maintenance (PM) compliance, speed, swipe compliance, child check, on-time service, financial profits, wages, wage to revenue percentage, on-time performance, pre-trip inspection, post-trip inspection (pp. 117-118).

[91] Ms. Truax runs the PAV meetings with each CSC.

[92] During the first meeting of the week, they review the last week's KPIs and see which ones have the most improvement and how they did in closing the gap. She comments that her managers come well prepared with the analysis of its metrics indicators. Some can be five minutes in duration, while others will be longer.

[93] Each bus is checked by the maintenance department every four months, which is National Express' global standard. The MCD also check them every six months.

[94] Ms. Truax stated she was surprised to read the Board's Decision that Stock had not been cooperative with the inspectors of the MCD. She stated she met the Inspectors informally to introduce herself and to advise them that if they need anything or there is a problem, she would like them to contact her. They decided a few weeks before the hearing to meet on the last Wednesday of every month to address any concerns. She considers Stock to be in complete partnership with the MCD. One issue they are currently working on is ensuring non-safety repairs are completed within the time period set by the MCD, usually 30 or 60 days.

[95] Stock also hired Brian Wilson, a licensed mechanic, as its Maintenance Supervisor for the Dartmouth location. He will coach, counsel and educate his team on maintenance requirements.

[96] She stated her meetings at the Cambridge CSC are very short, as it is being operated as it should and noted the management team is exceptional:

I have; however, Tina is exceptional in her operations. So is her safety manager, John; her operations manager, Michelle; Ron, her maintenance supervisor – are exceptional. They've been doing it a very long time. So, my, my visit with Tina typically goes very quickly, because she, she's got it all working as it should.

[*ibid*, p. 123]

[97] Although Stock normally does quarterly meetings with its drivers, after reading the Board's Decision, Ms. Truax decided they would have a session with its

drivers at a Town Hall meeting. In addition to Ms. Glavin, Ms. Truax had others attend, including Ron Leimbach from the United States, National Express' Vice-President of Safety for North America; as well as Stock's Director of Human Resources, Greg McClelland; Dwight Keeping, Safety in Dartmouth and Mr. Giles from CSI, who Stock retained and purchased from him pre-trip log booklets and hours of service booklets for all drivers. The review included:

- Commercial hours of operation;
- Completing time sheets;
- Importance of advising if you have more than one employer;
- Whistle Blower Policy;
- New Organization chart;
- People they can speak to;
- Gave out contact information including Directors of Safety, HR and herself;
- Handed out her business cards; and
- Advised that, although they would like people to feel comfortable to speak with Ms. Glavin, they could also reach out to her.

[98] After the meeting, 15 or 20 people spoke with Ms. Truax. She said that when she first went to the office, she could sense people appeared to be afraid to engage with her. As the Board's Decision had pointed out, she did not want people to feel they could not say "No". It was important to address this gap in the Dartmouth CSC culture.

[99] She attended two of the Town Hall meetings with 320 of the drivers. A third day was set, but a winter storm prevented them from attending in Cape Breton. Since the meetings, she has had approximately a dozen drivers reach out to her on different issues or suggestions.

[100] In terms of drivers feeling comfortable to raise concerns without fear of retaliation, she thinks the fact that they have reached out to her shows that Stock is responding to the Board's concerns and they are working towards people feeling comfortable. She stated Stock needs to operate like a family. Ms. Glavin has had people

come forward to speak with her as well. She believes this is improving and will continue to do so. It will, however, take time.

[101] Ms. Lowe explained that on Tina Coldwell's recommendation, Stock retained Gary Giles and CSI to assist in providing the regulatory information to Stock and its drivers. Mr. Giles said he has the respect of the drivers. They listened to him, as he has many years of experience in the Industry and is an expert on the *Regulations*. He is part of the Stock team as a corporate trainer. He will also provide sessions to the management team advising what their files should look like and how to maintain them, as well as any regulatory questions they may have about the *MC Act*. On a quarterly basis, he will attend the drivers and staff Safety Meetings.

[102] Stock has few drivers, (four or five out of 360) that also work for Ambassadors Gray Line. Most of the bus drivers solely doing school bus services have found the standard daily logs confusing. Stock, therefore, adopted and purchased from CSI a booklet sheet for each month. On each day the driver notes the time her/his work began and the time s/he ended, being the hours on duty. The Zonar, with the swipes in and out, tells Stock the hours driven. A copy of the monthly CSI sheet is given to the Company at the end of each month.

[103] In response to the Board noting Mr. Phinney's claim of not knowing the regulatory framework of the busing Industry, Ms. Truax explained that in a retail industry there are a lot of policies, procedures and regulation requirements around food, infant formula, pharmacy and pharmaceuticals. Although this is a different Industry, the importance of knowing the *Regulations* is the same. She has educated herself on understanding the *MC Act*, the UARB, and commercial vehicle *Regulations*. She has a

safety resource team in her Safety Managers, John Goss, in Cambridge (a retired RCMP Officer) and Dwight Keeping (who also has a wealth of information), along with her two General Managers, Ms. Coldwell and Ms. Glavin, who, combined, have 37 years of experience in the Industry. If she was unsure about a regulation, she would first research it and if she was not confident, would rely on her management team to assist her.

[104] Ms. Truax described the Compass computer system, its connection with Zonar and the information the Company tracks in relation to its buses and drivers:

Q. You made reference to the Compass. Can you tell us, what is the Compass system?

A. So, I, this might get a little bit technical. I apologize, but... So, Compass is where all of our employee seniority is, so let's call it "employee list", your active employees. It's where it connects to Zonar, so you have bus one, two, three attached to Mike. Okay, it then has your, your – remember I said they had a Zonar ID badge? That ID badge has to be attached to Mike on that bus, and then everything connects, so that way it tells you how fast the bus is going, when the bus in, when Mike swipes in, when Mike swipes out, when he does his child check, when he does his – it's all intertwined. So, every day, our dispatcher works off Compass, because we have a master schedule, which we set up in September with our, our home-to-school, and then we have a daily schedule. So, every day, they have to change buses, 'cause, you know, things happen – mechanical failure or a bus driver called in sick, or whatever the case may be. They have to go and change the asset and change the route. So, it's a, it's a working daily function. But it never changes the master, because it just deals with one-offs, if you will. So, that is what Compass is.

[*ibid*, pp. 134-135]

[105] For any trip over 160 kilometers, the drivers use the traditional drivers log. The dispatcher would assess the number of hours, determine hotel arrangements depending upon the length of trip and other things that are necessary. The dispatcher would use Compass to determine whether the driver had sufficient hours to perform the trip.

[106] From the Compass and Zonar systems, Ms. Truax has the same information accessible to her that is available to the dispatchers and General Managers. She will personally review all of it until she is satisfied everything is working as it should.

[107] It is not possible to not know where the buses are, as they each have a GPS. If it, Zonar, or the DriveCam are not working, the vehicle is taken off the road, as Stock considers these essential safety devices on its vehicles.

[108] The Company also uses the Domo reporting system which sends alerts to Ms. Truax's phone and gives her access to any reports on her phone. For example, the minute a bus is speeding, it sends her an email.

[109] If asked to produce the movements for a full month of a specific school bus, Stock has that capability, including information about who drove it, where it went and how fast it was traveling.

[110] One step Ms. Truax has taken to ensure the drivers do not feel coerced or pressured into doing something they should not, is to show them that Stock has different leadership, is interested in developing a different culture, and that they have a direct line to her, George Georgopoulos, Greg McLelland and Terri Lowe. Stock has also created an engagement calendar for the year. Each month there will be different activities to bring the employees together to show recognition, to spend time together, be visible and to speak freely. As this is changing a culture, it is not an overnight fix and will take some time. She stated:

... So, that's the kind of things we have to do to show them we're different people. I can't just, you know, throwing up a presentation is great, but it's, we have to live it and breathe it and actually become that culture.

[*ibid*, pp. 140-141]

[111] She has also asked everyone how Stock can become involved in community events and with the schools and children in the area.

[112] Stock has a Joint Occupational Health and Safety Committee. Mr. Keeping is its one management representative, with office staff and drivers.

[113] All drivers are unionized except the spare drivers.

[114] When Ms. Truax first came to the Dartmouth office she said it was evident there was no structure. Although some procedures were done sometimes, staff did not realize there were measurements and procedures already in the organization that they had not been educated on, discussed nor shown how to do them. Consequently, there was an opportunity for improving just by utilizing the processes the Company already had.

[115] Ms. Truax stated Ms. Glavin was not advised about Stock's systems and programs which was unfortunate because with Ms. Glavin's amount of knowledge, she could have been doing all of the processes Stock had in place.

[116] As to her identification of the Board liaison, it was Ms. Truax's understanding this would be Mr. Giles who will ensure Stock is always up to date with the regulatory requirements, its licenses, and what Stock is permitted to do and not do.

[117] Local counsel is identified as a resource. Ms. Truax stated Stock's management has greater authority to access legal counsel and both Ms. Glavin and Ms. Coldwell are able to contact Mr. Scott, when needed.

[118] The meetings with Mr. Preeper are not a set agenda, but rather it will ensure she is in contact with him at least once a month. Mr. Preeper has raised a few issues, but nothing major.

[119] The drivers' logs are maintained in the drivers' files. It is also up to the drivers to advise Stock if they are reaching their permitted hours of driving or on duty. This was discussed in the Town Hall/Safety meeting with the drivers.

[120] Stock also sent out an email communication, through Ms. Glavin, advising the drivers to notify Stock if they are working for anyone else.

[121] Its safety supervisor at Cambridge is a retired RCMP Officer. Other than occupational health and safety, she was asked why Stock thought he may be “extremely qualified”. Ms. Truax responded he understands the rules of the road, the requirements for pre-trip inspections, safety of vehicles, is incredibly articulate, understands the provincial requirements and has done a superb job as a Safety Manager in Cambridge.

[122] In addition to having very experienced and knowledgeable General Managers, she has also spent time with Mr. Giles to educate herself on all of the *Rules* and *Regulations* applicable in Nova Scotia. She does not intend to take any formal courses, but stated she would be open to it.

[123] As to “driving a high level of accountability”, Ms. Truax stated this is done by having conversations around accountability and the day to day results. In the Dartmouth office, the drivers were not informed about the metrics. They have started with the speed metrics, which is obviously very important for the safety of children, and then will move to the others. The drivers know they are going to be held accountable for this speed. If there is an issue, the driver is coached on how to meet the speed metrics. The coaching conversation is put into Compass and a document is placed in the driver’s file.

[124] Stock’s improved plans for safety involve working with Mr. Georgopoulos, its Safety Managers, and generating actions plans. These are always ongoing as Stock is always seeking to do better than its goals and to have as few preventable accidents as is possible.

[125] As to what items may be carried on a vehicle, Stock will raise it again, as they do each year, at its start-up meetings held in August.

5. Ronald Steven Leimbach

[126] Ron Leimbach, is the Vice-President of Safety for the School Bus Division of National Express for North America and works from its head office in Chicago.

[127] Mr. Leimbach began his job in April 2017. He held operational roles with various companies as Vice-President of operations for the Southern/Central area and prior to that as Regional Manager. He was hired by National Express first as a GM of a local CSC. In his previous work, he dealt with regulatory and safety compliance issues on a daily basis.

[128] To implement and develop safety policies, Mr. Leimbach determined what policy modifications are needed in different situations to ensure employees continue to keep safety as a primary focus of the business.

[129] Mr. Leimbach is the head of the safety department which is completely independent of all other groups within the organization.

[130] The Safety Department has a Chief Safety Officer, Bob Ramsdell, under whom there are three Vice-Presidents of Operations. One focuses on the compliance of the organization's operations, another for safety in the transit division, and himself for the operations of the school bus division.

[131] Under each Vice-President are Area Directors. There are five operational areas in North America, with Canada being one of them. The Area Director for Canada is Mr. Georgopoulos. He leads safety awareness, implementation of policies, and ensures compliance with the *Regulations*.

[132] Each CSC has a Safety Supervisor primarily focused on the operations at that specific location, ensuring the safety policies are followed. They oversee all the KPIs

and report up through the safety department. The Safety Supervisors in Nova Scotia are Mr. Keeping in Dartmouth and Mr. Goss in Cambridge. Mr. Leimbach has spoken to them about the execution of Stock's policies.

[133] If the Safety Supervisors have any concerns or questions they may go to their Area Directors of Safety, or to Mr. Leimbach. They are all included in the safety communications.

[134] There is a dotted line relationship with the CSC management team and the safety managers within each location.

[135] Mr. Leimbach expanded upon Domo. He stated it is a data management platform that manages all KPI information and safety metrics. While the goals do not change, the performance of those are managed on a daily basis. The information collection begins when a driver swipes into the system. It is in the Compass system and also uploaded into the Domo. It is a dynamic system in that it is constantly changing as information is received. Throughout the day, the system updates itself and refreshes results with the new information. When one views a report, it provides the information at that moment in time.

[136] In addition to all senior management, the reports are also available to anyone at the CSC with oversight responsibilities such as the dispatchers, operation supervisors, safety supervisors, and general managers.

[137] Consequently, anyone making a scheduling decision and assessing whether a driver can operate a particular trip has access to this information.

[138] There are two systems drivers use if they find defects during their pre-trip inspections. First, when they input the information into the Zonar wand, it is automatically

transmitted to the maintenance department that creates a work order. Second, when they find a defect they are to call dispatch, who logs the defect, transmits it to the maintenance department for a work order and, ultimately, dispatches a mechanic to repair the defect.

[139] The driver has the authorization to make a go/no-go decision on whether the vehicle is safe to operate each day. The decision is based on the booklets and training information Stock provides to its drivers about defects, its severity and when a vehicle should not be operated. The Company is also in the process of implementing a post-inspection at the end of the day to identify any defects that need repair. Mr. Leimbach stated this is not a requirement of the *Regulations*, but is in addition to them.

[140] If an employee has any concerns about the safety of the vehicle or their own safety, they are encouraged to speak to their local management team, including the Safety Supervisor, Operation Supervisor or General Manager. If speaking to management is uncomfortable, or they have spoken to them and the issues have not been resolved, Mr. Leimbach invites them to speak to Ms. Truax, Mr. Georgopoulos, himself, or the ethics hotline.

[141] Mr. Leimbach attended the Town Hall/Safety meeting with the drivers in Halifax to show support, as the Company wanted to ensure the expectations of the drivers are to always follow the regulatory requirements and operate safely. The safety of the people Stock transports is its primary responsibility. National Express and Stock take that very seriously. He also attended to show that if an employee has any issues or concerns, there are a variety of levels of people they can contact and reach out to, including himself.

[142] If an employee was not taking an extended trip outside of the 160 kilometers, but was doing commercial driving for two employers, then the person would use their monthly log sheet, draw a line down the center of the block for that day and log the hours they were working for the second employer within the same one-day block.

[143] The information collected on the KPIs and other data can, in certain instances, be analyzed down to the individual driver. It is not necessarily broken down by vehicle, except for things like the pre-trip inspections percentages.

[144] To Mr. Leimbach's knowledge, no one had been to Nova Scotia from the North American safety operations prior to the Show Cause hearing. He has been in Nova Scotia multiple times over the last couple of months and although he has worked with Ms. Coldwell, he has not worked with her Safety Supervisor to date.

[145] On questions from Mr. MacPherson, CSI was retained for compliance related practices, policies and procedures for Stock's entire operations. Regarding the safety related issues in the Board's Decision that Mr. Giles was to review, Mr. Leimbach stated:

- Q. Okay. And it indicates, "To assist the company and its other advisors and help them to formulate an action plan to address the safety-related issues discussed in the Board's Decision." Specifically, what safety-related issues was he asked to address?
- A. Well, I think what he was asked to address was the consistency in which we used or tracked the driver's hours, to, to simplify that process for us, as well as ensuring that we utilized a pre-trip inspection that was easier for our drivers to understand and fill out, and he's provided both those booklets to us, and then completed that training as well.

[Transcript, p. 205]

[146] National Express has a formalized audit procedure which Mr. Leimbach described as follows:

- Q. Sure. And what is the formal audit process?

- A. So, as we go through the formalized audit process, we'll look at many things that we look at on a regular vi..., site visit. We'll go through our, our files to ensure driver compliance files are set up correctly. We'll look at the safety and well-being of the facility. We'll talk to individual employees. We'll inspect vehicles. We'll walk into our shop to ensure the, the safety of that facility is, is being followed as well. We will, we'll continue to provide information as we go through and identify it. We ensure that we're following the rest of our safety policies and practices and, and communicating our, our, our programs.

[*ibid*, p. 206]

[147] He confirmed the audit has a standardized checklist. He is unaware of whether one has been done for the Dartmouth or Cambridge CSCs. Mr. Leimbach stated that during his CSC visits in Nova Scotia he has informally reviewed all audit items to ensure they are following Stock's practices and procedures.

[148] Using the monthly log sheet, if a driver is working as a commercial driver for two separate companies, Stock would not be aware of the hours they worked on any particular day until that form was provided to them at the end of the month. Mr. Leimbach stated the drivers also have a responsibility to manage their hours and to inform Stock if they are driving for someone else.

[149] In reviewing the pre- and post-trip inspections, Mr. MacPherson asked what had been happening before that needed correction. Mr. Leimbach stated it was not a correction, but rather wanting to simplify the process for completing the forms and having people track it on the Zonar unit.

[150] The Board asked what authority Mr. Leimbach had if he received a call from drivers being asked to drive beyond their permitted hours. He stated he could take it to anyone within Stock or National Express to have it addressed, including Mr. Ashley and Ms. Lowe.

[151] The pre-trip inspections are returned on a weekly basis and are documents they received from CSI.

6. Tina Lee Coldwell

[152] Ms. Coldwell, the General Manager for Cambridge CSC, has been in the bus industry for 13 years, having first been with Perry Rand and came with Stock after its acquisition. She was initially involved in the charter side of the business and then moved to school bus services. For charter services, Stock had a charter co-ordinator responsible for scheduling and booking and was overseen by Ms. Coldwell. The Cambridge office operates 80 school buses and in recent times had a dozen charter vehicles. Some school buses were double plated for both charter and school operations. It was capable of using 53 buses for charters. A number of double plated vehicles were not operating for maintenance reasons.

[153] With respect to the Scouts Jamboree charter, the charter co-ordinator was called earlier in the year for prices. In the past, if the Company required a large number of buses for charter which Stock could not fully service, it would seek a temporary authority from the Board.

[154] The next time Ms. Coldwell heard about the Scouts Jamboree was when Ms. Glavin contacted her in July for help and asked whether the Cambridge CSC had vehicles available. Ms. Glavin needed a large number of vehicles within days and Cambridge was unable to assist. Ms. Coldwell was surprised by this as she had heard nothing about it and only the Cambridge CSC had the charter Licenses. There were no charter plated buses at Stock's Dartmouth location.

[155] The Cambridge office had very little involvement with Mr. Phinney. At month end, there may have been some communication about budget issues, but as far

as operational issues, there was not a lot of interaction. Mr. Phinney may have been to the Cambridge office two to three times over a period of a couple of years.

[156] It was Ms. Coldwell's understanding Mr. Phinney, while in Nova Scotia, spent his time in Dartmouth, but was often out of the office visiting other locations in Ontario and in the West.

[157] She had no involvement, nor was she in the loop on the various issues that were raised in the Show Cause proceeding. Specifically, she stated:

Q. And you're obviously aware of the, the show cause that we participated in back around this time last year. Were you at all in any way involved in or, or in the loop on any of the, the, the issues that were raised at that show cause?

A. No.

[Transcript, p. 228]

[158] She does not know when the highway motor coaches (HMC) came into the Province, nor did she have anything to do with them. She does recall Mr. Phinney mentioning to her one day that Stock had an opportunity to bring HMCs to do charters and she said she did not want them. Her experience with HMCs was not a good one, as its core business is school bus type vehicles. She did not consider Cambridge to have the expertise to maintain them. There was no use for HMCs from her Cambridge operation. None of the HMCs were at her location and she had no involvement with Mr. Phinney's use of those vehicles for charters.

[159] The Cambridge CSC has mandatory safety meetings for its drivers every month and they are held at each of the three high schools they service. It is usually done at the end of their morning run. If a driver has an appointment, they can attend another training session, or come to the office for training.

[160] Ms. Coldwell explained the purpose of the start-up meetings in August for all school bus drivers. Located within the documents was a copy of the agenda for one of these. However, each year they will go over anything new, or issues that have come up in the previous year.

[161] Mr. Goss was hired by Stock in May 2017, as a Safety Supervisor and provides safety and training supervision. His first Safety Meeting was the start-up meeting on August 4, 2017. He came with an RCMP and law enforcement background. One program he has brought to its organization is called "operation safety stop" in an effort to address people driving through the school buses red lights. Stock met with all of the local police authorities in the Counties Cambridge services and also explained the program to the drivers in August.

[162] Typically, the agenda for its Safety Meetings is provided by the Company so employees at all locations are receiving the same information. However, each CSC are also able to address local information. She described these meetings as being 100% about safety. In addition to all drivers attending these meetings, it is also attended by the Operations Supervisor, herself, and sometimes the Maintenance Supervisor.

[163] Drivers' abstracts, along with other information, are submitted to the people transportation committee which provides awards for school bus providers.

[164] The records and reports are analyzed for preventable street accidents. Based upon the standards set by the Department of Education, Cambridge has received 100% in its safety records.

[165] Each CSC is a team on its own. Therefore, Cambridge has its own maintenance facility separate and apart from the Dartmouth CSC.

[166] Ms. Coldwell stated she oversees the day to day operations and is not aware of any major or significant operational concerns with the Cambridge CSC. She was aware the Dartmouth CSC has had concerns. When asked why Cambridge has been so different from Dartmouth, she stated Cambridge has a very high standard and has done things a certain way for a very long time. All of the team, except for Mr. Goss, came to Stock with the acquisition from Perry Rand. In her opinion, they do things the best way.

[167] One of the things she noticed when she first started in the business some 13 years ago, was that compliance was a big issue for her in order to reduce the number of accidents.

[168] She has worked with Mr. Giles in the past. She noticed training was going by the wayside. With Mr. Giles' help, Cambridge developed a whole new training regime that included everyone in the CSC, from the top to the bottom. They have repeatedly reviewed the *Regulations* and what they are required to do, so if an Inspector from the MCD ever stops a bus, the driver knows the requirements and *Regulations* and where the documents are kept, if asked for them.

[169] Cambridge CSC also encourages its employees to recognize the Inspectors as their friends and are there to assist with safety. Therefore, they are to stop and answer any questions the Inspectors may have of them.

[170] Ms. Coldwell also stated Cambridge is a small group of 85 people and she considers them to be an excellent team. All drivers keep logs regardless of whether they are outside of the 160 kilometers. The drivers' hours are monitored daily. She has absolutely no concern that any of her drivers would run over their hours.

[171] For those operating both charter or school bus services, they would always complete the daily logs and not the monthly log sheet. With the former, it is easy to track the number of hours a person has worked. In terms of the drivers out of the CSC being pressured to do anything that was not in compliance with the *Regulations*, it never happened.

Q. Are you aware of, now or at any time in the past, any concerns with respect to drivers out of your CSC being pressured to do anything that wasn't compliant with the regulations?

A. Never.

Q. Has that ever come up?

A. Never.

[Transcript, pp. 236-237]

[172] Regarding the anonymous hotline, Ms. Coldwell re-emphasized they are a small organization.

[173] The Handbook has a lot of information. They seek to pick one or two things from the Handbook to explain to the drivers at each Safety Meeting, but, obviously, advise them they can always return to their Handbook, if they need further information.

[174] With the new management structure, Ms. Coldwell stated there has been a 180° change in the communication with her boss. They are on calls at least three times a week. It can be a five-minute call or it can be an hour. Stock has complex reporting systems for everyone and Ms. Truax does hold them accountable.

[175] Ms. Coldwell stated she is appropriately supported and does not think there is anything missing from what she requires from the Company. She also has the liberty to reach out to Mr. Giles and Mr. Leimbach when necessary. She has no difficulty

contacting John Penney, or someone from the Board. She stated she feels very comfortable to access any of the resources in the Company.

[176] On questions from Board counsel, Ms. Coldwell confirmed the monthly safety meetings with the drivers continued throughout the entire period. The topics for each meeting may have come from Mr. Leimbach himself, or the Director of Safety for Canada.

[177] Under examination by Mr. MacPherson, Ms. Coldwell stated there have been no concerns with the maintenance operations in Cambridge.

[178] Each safety meeting is an hour or two in duration. If a person was sick and unable to attend all three, an arrangement would be made for them to come into the office and receive the information. If a person just did not attend, it would be a disciplinary matter. She has never had that happen.

[179] Ms. Coldwell said the technology is so far advanced that it is mind boggling. They post information where the drivers can see it, for example, who is idling the least and who is not speeding. People look at the list and say 'well I want to beat that person'. Although that has happened with idling, it has not quite happened with speeding. When there is a speeding issue, they are able to bring the drivers in, show them exactly where the speeding has occurred and are able to show the applicable speed limit signs on the road.

[180] Every month, they talk about the safety provisions and the two that are always carried forward are accidents and injury. As to the other Key Performance Indicators, they also speak about pre- and post-trip inspection, speeding and idling.

[181] The elaborate training program outlined in the Handbook is followed at the Cambridge CSC.

[182] In terms of upgrading or continuing education for the regular drivers, the issues are addressed in the monthly safety meetings. They will use a topic about something that happened in the previous month, take the relevant provisions of the Handbook and review them at the monthly meeting. In the course of a year, they will touch on all of the topics in the Handbook. Therefore, all of its experienced drivers will still receive all of the updated information.

[183] Cambridge operates 67 school bus routes. All drivers are non-unionized so they are treated the same. The monthly safety meetings occurred prior to Stock acquiring Perry Rand. They would be held during the school in-service days and would be a full day session. Consequently, they would occur four or five times a year instead of the current one to two-hour monthly meeting.

[184] In Cambridge, all charter drivers are familiar with the daily log books and they are used and completed by them. However, for the bus drivers that only do school bus service and are never outside of the 160 kilometers, they find it much easier to use the monthly log sheet, as it is less difficult.

[185] On the bottom of the daily log books, such as those purchased from the Irving Big Stop, are the cumulative hours which makes it very easy to see how many hours a driver has available. These are turned into the Cambridge office on a weekly basis.

[186] At the present time, Cambridge does not have anyone working for another employer.

[187] What items may be carried on the buses was one of the topics of discussion at the January 2018, Safety Meeting in Cambridge.

7. Amber Glavin

[188] Ms. Glavin has been with Stock for 21½ years since 1996 at its Dartmouth CSC and is currently its General Manager. Her previous experience with Stock included as its Dispatcher, Route Coordinator, Operations Supervisor, Operations Manager.

[189] During Mr. Phinney's tenure she was the Operations Manager. He was both the Regional Manager for Stock and the General Manager of Dartmouth. She reported directly to Mr. Phinney. There was no other reporting structure.

[190] The people reporting to her are the dispatchers, route coordinators, field trip coordinators, office administration staff, operations specialists, and in a dotted line with the safety supervisor. The dotted line means he is directly accountable to the Safety Director of Canada, but also reports to her as the local Operations Manager.

[191] During her time with Stock, the Dartmouth CSC did not handle any charter work for Stock. All charter work was to be done from the Cambridge CSC. Consequently, she had no particular experience operating charters.

[192] Ms. Glavin advised that she heard of the Scouts Jamboree in the first week of July 2017, when the Operations Specialist asked if she heard what they were doing. She also spoke with the dispatcher who was panicked about trying to arrange the school buses and drivers. When she spoke to Mr. Phinney, he advised the Dartmouth CSC was doing the charter, they had received permission from Mr. Penney of the MCD as there

was no one else able to handle the volume. As Mr. Phinney was her boss, she did not question this information.

[193] Mr. Phinney left Stock's employment that same week.

[194] On the following Monday, Inspectors Jollimore and Power came to her office and issued them four citations for operating without the proper licenses. In addition, the memo prepared by Inspector Jollimore noted there were prohibited items on the bus including propane tanks:

When performing the road stop I notice the gear that the passengers were load on the bus were prohibited items. (Ex. Propane cylinders, camp stoves, large pieces of wood and large items that blocked rear exit.) I made them unload the bus and gave all the drivers a verbal war[n]ing.

[Exhibit S-11, p. 6]

[195] This was the first time Ms. Glavin heard Stock did not have the authority to do the charter. Ms. Glavin contacted Ms. Coldwell to see if Cambridge had charter buses available. She emailed Mr. Penney, as he was in meetings, outlined what she had discovered and asked what Stock could do at this point to mitigate the impact. She also contacted Ms. Lowe.

[196] Ms. Glavin was not fully aware of the proceedings before the Board last year. She had heard from Mr. Phinney that he had been at a hearing and expressed some concerns about information discussed.

[197] Ms. Glavin stated the Dartmouth CSC has always tracked the employees' hours of service on paper, as well as in its Compass system, and through the dispatch logs when the drivers check in and out each day.

[198] In describing the difference between when Mr. Phinney was managing and now, she stated:

... the best way I can describe it, it was like the flood gates of support opened up. [I've] had contact with finance, with safety, with Ms. Lowe, and then, when Ms. Truax came on, Ms. Truax. [I've] had more people supporting our facility than I have seen in probably five, six years.

[Transcript, p. 269]

[199] In terms of support, Ms. Glavin does not think there is anything missing. She is meeting with Ms. Truax every week, at least three days a week. She also has direct contact with her on a daily basis almost seven days a week. She also has the ability to contact Ms. Lowe, which is the first time she has had that ability. She also has access to Mr. Leimbach for safety. Finally, she has access to legal counsel.

[200] In the past, she did not have any access, as everything had to be directed through Mr. Phinney.

[201] With respect to providing information to the inspectors of the MCD, Ms. Glavin stated that Mr. Phinney made it very clear that if there was a request for any information or documentation from its facility, it had to go through him. Consequently, when she had a request from Inspector Preeper, she had to direct him to Mr. Phinney.

[202] Now she knows it is part of the *Regulations*. If she is requested by an inspector to provide documents or to produce a vehicle for inspection, that is within her purview and authority to do so.

[203] Of the 425 drivers, approximately 390 are unionized. Those that are not, are the spare drivers. When a person is assigned to a school route, they become a unionized employee.

[204] Ms. Glavin advised that if an employee is being asked to do something contrary to safety or the *Regulations*, in addition to the Hotline Policy or contacting senior

leadership, they could also go to one of the 10 shop stewards in the area, who would then also report it to the employee relations officer, John Cook.

[205] Dartmouth also has a Joint Occupational Health and Safety Committee. It includes the 10 shop stewards, Dwight Keeping, as well as a representative from administration. They meet monthly and bring forth concerns of the drivers or monitors and discuss the issues to resolution. Its tasks also include conducting a facility audit, setting goals for accidents and injuries, and finding ways to prevent them.

[206] The risk of drivers driving over their permitted hours in the school bus operations is not a constant concern. For those employees who also drive with other companies, Stock requests they self identify. Those working in other capacities, such as security guards, are also requested to inform Stock. Currently, seven drivers have additional work outside of Stock.

[207] Having a monthly log sheet is helpful, as it is easier to understand, is less paperwork and more manageable. They rarely have trips that extend beyond the 160 kilometer perimeter. On the rare occasions when longer trips do occur, its Dispatchers and Field Coordinators are well aware of the legal requirements.

[208] With respect to the drivers being pressured to work and violate the *Regulations*, she has never heard of that occurring. It is not the norm and it is not how she runs the operation. At this time, she is pleased to say its drivers are responding to the Open Door Policy that has been created. Employees want to meet with her and/or Ms. Truax.

[209] She believes staff are bringing their issues forward and are being responded to or addressed. They are feeling more comfortable and there is an

improvement. They want to connect with their leaders and they want to be part of the system.

[210] On January 8, 2018, she sent a letter to all employees about the Hotline Policy, the number, and outlined the goal of the Company to adhere to the law and *Regulations*. It read:

Whistle Blower Policy

Dear employees,

It is important that you, our employees, know who they can speak to when they have concerns with the business or what you are being asked to do as an employee. The management team will make themselves available at any time to speak with you. If you are not comfortable speaking with the local management team, you have the option to seek assistance through the employee hotline. I have included the section of the employee handbook referencing the Employee Hotline below. Please note that the employee hotline is monitored by a third party organization and where employees can voice their concerns anonymously.

Please do not hesitate to reach out to me directly if you have any questions or concerns regarding this or any other aspect of our business at 902-483-0093 or

Sincerely,

Amber Glavin General Manager

EMPLOYEE HOTLINE

It is the intent of the Company to adhere to all laws and regulations that apply to the organization and support the organization's goal of the legal compliance. The support of all employees is necessary to ensure compliance with various laws and regulations.

If you have a concern regarding business conduct, ethics or possible violations of the law or your rights, contact your supervisor or a member of Safety, Human Resources, Legal, or the confidential Employee Hotline at 1-877-907-2683.

If your concern surrounds a Company decision, you can also follow the steps outlined in the Due Process section of the handbook.

The Company will not retaliate against employees who disclose or threaten to disclose any activity, or practice of the Company that the employee believes is in violation of the law.

[Exhibit S-9]

[211] The letter was attached to the employees' pay stubs and sent by email. The reason for sending the letter was as follows:

Q. Okay. And, and what prompted sending this out?

A. The concern that, that came about that employees felt, historically, that they were pressured to do something they shouldn't. And we wanted to be sure that our employees understood that if they weren't comfortable with talking to me or Ms. Truax or any other member of the CSC, that there was a way that they could have a voice heard.

[Transcript, p. 277]

[212] In addition to the above, at the Dartmouth CSC Town Hall/safety meeting in January, Ms. Truax gave a presentation on the Policy, amongst other issues and discussed it with all of its employees. The Policy is posted at various places throughout the CSC, on the office doors, and on the safety bulletin board.

[213] She described the message given to all employees by Ms. Truax at these meetings as:

Q. And, and what was the message?

A. The message was to explain the process of where, how employees could vent their concerns with regards to business ethics or safety, or any part of the business or operations that they had concern with. That they could contact, and, and this is where the open-door policy came out, who they could contact, but if they, they truly didn't feel comfortable – and some people are not – that they could contact the employee hotline. It was expressed to the employees that the hotline is operated by a third-party organization and that it's anonymous, so they did not have to leave their name or identify themselves in any way.

[*ibid*, pp. 278-279]

[214] Although Ms. Glavin was aware of the Hotline Policy in the past and she thought the drivers were aware as well, she is glad they went over it to make it very, very clear in the January meeting.

[215] During Mr. Phinney's tenure, she recalled a long time ago an HR Director did mention it in one of its staff meetings, but other than that, it would just be in the Handbook. To her knowledge, it was not communicated in any other way.

[216] Board Counsel reviewed with Ms. Glavin the specifics of the Scout Jamboree charter. Ms. Glavin advised that upon meeting Inspectors Jollimore and Power

at her office, it was clear Mr. Phinney had not obtained the appropriate authority from the Board for Stock to do this work. She confirmed 60 units were required to fulfill that contract.

[217] When asked about the buses having propane cylinders, camp stoves, large pieces of wood and other large items that blocked the rear exit, she advised this shows the ill preparedness of its facility to plan and do this type of work. She said, unfortunately, Mr. Phinney had advised Scouts Canada that Stock had 50 school buses with cages. The Dartmouth CSC does not have those types of vehicles.

[218] Ms. Glavin advised even if there were cages, neither propane, nor any other type of fuel, are permitted to be transported on the buses.

[219] As to items that can be carried on the buses, Stock has reviewed with its drivers what are and are not permitted. Another example of field trips items are skiis. They have a list of these items which has been around for a long time (since 1998 or 2000).

[220] In approximately June 2016, Ms. Glavin was asked by Mr. Phinney to temporarily fill a vacancy. Ms. Glavin became the acting Maintenance Manager, as he was not intending to fill that supervisory position. At the time, Stock was short two or three mechanics and a supervisor. When she went into the facility, it was disorganized in terms of work flow and paper work. She took steps to correct this.

[221] The Dartmouth CSC now has 13 staff in the maintenance department. In Ms. Glavin's opinion, they absolutely have adequate services for the buses to ensure road safety. There has also been significant investment in new equipment. In 2016, Stock

received 136 new International buses and 48 small Collins vehicles. Another 20 new International buses were received in July 2017.

[222] Previously, the maintenance person reported directly to the facility General Manager. This has since changed. They now report directly to the Maintenance Area Director for Canada.

[223] The Occupational Health and Safety Committee, which is mandated by the law, meets on a monthly basis as per the Company policy. In the past, under Mr. Phinney's management, it met approximately five times a year and would coincide with its in-service meetings.

[224] In addition to the monthly safety meetings, which are scheduled for three hours, the Dartmouth CSC also meets on the four in-service days, and have the start-up meetings in August. Consequently, they have added extra meetings.

[225] All new drivers go through the Star three-week program which consists of classroom and on the road training. The documents for this were filed with the Board.

[226] For experienced drivers, in addition to the safety meetings and a new Handbook each year, they would also receive additional training to maintain their First Aid and Defensive Driving Certificates, both of which are good for three years.

[227] Under questions from Mr. MacPherson, Ms. Glavin testified that although some processes were followed, they were not reported. Corrections have mainly related to the foundation information required for Zonar and Compass which transfers to Domo. It was not done with Mr. Phinney. It is, however, being done now. There has been significant progress since Ms. Truax has supported them in obtaining the correct information and building blocks for the systems.

[228] Ms. Glavin testified that when there is a roadside inspection and the vehicle is found to have a major defect, it is not permitted to continue operating. A mechanic is immediately sent to the vehicle to fix it.

[229] When a driver has been ticketed, for example, for failing to yield the right of way at an intersection, s/he is brought into the office for retraining, the conversation is documented with management, and depending upon the severity, s/he could also be disciplined. The re-training may include the rules of the road, *Regulations*, and anything about the incident itself. It may be something they can obtain information directly from its training program, or Stock will provide other materials, documents or videos.

[230] If there has been a collision, the person would receive retraining before being able to return to driving the bus.

[231] Failing to have their license on them is considered a coaching matter and not one that would normally warrant discipline, unless there is something in the file to indicate there are other infractions.

[232] In this school year to date, Dartmouth CSC has 10 less preventable accidents than in previous years. Based on the standards with the Department of Education, Stock has received 100% in safety record in most years.

[233] Ms. Glavin does not see any reason why Stock could not make drivers reporting third party employment a mandatory requirement.

[234] Through the Domo system analysis, the Dartmouth CSC had a 59% pre-trip compliance inspection last year. The Zonar wand automatically uploads the pre-trip information into the Domo system. Stock still has drivers using the paper pre-trip inspection reports which they complete for each trip and provide into the office on a

weekly basis. To know the percentage of drivers doing pre-trip inspection, one would have to look at both of those systems. At present, 75% of its drivers are using the Zonar system. It will continue to seek 100% Zonar usage.

[235] If a driver has missed something on the pre-trip inspection and it is detected when it comes into the maintenance facility, once again, it would be a training opportunity. Mr. Keeping would take the driver through what s/he should have seen.

[236] With respect to non-unionized employees having a concern their supervisor has asked them to do something improper (as with Mr. Phinney), Ms. Glavin stated even though it is not typical, some would go to the union representatives. If not, the chain of command is set out in the Handbook. When asked by the Board what happens when both the dispatcher and/or Mr. Phinney are the ones telling them to do something they are not supposed to, her response was "they would feel helpless":

- Q. So, what happens in the situation where the dispatcher and, or Mr. Phinney are the problem? The ones that are asking them to do stuff that they're not allowed to do?
- A. Mm-hmm. Sorry, what was, I'm sorry, I missed your question. Sorry.
- Q. Where did they go...
- A. Mm-hmm.
- Q. ...if the dispatcher and Mr. Phinney are the ones that were telling them what to do?
- A. Mm-hmm. Now, or at that time?
- Q. At that time.
- A. At that time? I think that, at that time, they would have felt helpless.

[Transcript, p. 213]

[237] Ms. Glavin read the Board's Decision. She stated she was knowledgeable about the *Regulations* and licensing provisions outlined in the Decision and believes the dispatcher, drivers, and others in the office, also had that same level of knowledge. She

stated she has had meetings with Mr. Keeping on several occasions that covered licensing and the hours of service. Consequently, in her opinion, when the dispatcher was dealing with the bus drivers coming back from Northern Ontario, he would have known that asking the drivers to drive beyond their permitted hours was contrary to the *Regulations*.

[238] A culture of fear existed within Stock, as many believed they were to do as they were told, even if it is contrary to the *Regulations*, or they would lose their jobs. With respect to changing this, Ms. Glavin said it is not a culture Stock stands for and, on a go forward basis, is not one she or others will breed:

Q. Is there a culture that people have been concerned, and what kind of steps do you on a go-forward basis to help change that culture?

A. Mm-hmm. I think, well, I know that everybody that I currently have in my office, we, we no longer have the two people that were involved in that, Mr. Phinney and Mr. Taggart. I do know that, at the time, Mr. Phinney dealt directly with Mr. Taggart and left myself, my operations specialist, our field trip coordinator, you know, and left us out of those discussions. I can presume now, with the information that I know, that that was intentional. I know, since the decision that came out, that our office members are hurt by their former leadership and what had happened. Our drivers are feeling that, and that is has damaged our sense of pride in working in this community and being an upstanding operator. The people that I work with, this is not what we are about. It has never been what we are, we have been about since 1996. So, it's embarrassing what transpired. Going forward, we now have the systems that are giving myself, all my teammates, you know, our upper management accessibility to, to see what's going on. So, there, there can't be, you know, hidden buses going, drivers doing hours, or you know, there's just not that culture within our operation. It's not a culture that I'm going to breed. It's not a culture that Ms. Truax or anybody above. And it's a shame that this has happened and that there was a lot of people that were misled, lied to. Myself included.

[*ibid*, pp. 316-317]

[239] The Board asked Ms. Glavin how to address the above issue when the school bus drivers permitted propane tanks, camp stoves and large pieces of wood to be loaded on the bus. Was it a lack of knowledge, or did drivers feel pressured to act contrary to the *Regulations*? Her response was:

Yeah, definitely. And I think with either way, not knowing exactly what the rationale behind was, we took steps for both directions. So, one was to educate our

employees, because, you know, that was fearful to me, as well, that, "Oh, my goodness, that employee did not know? Who was it?" You know, what do we need to do? And we got to the bottom of that part of it, to, one, educate that individual, you know, quickly, when that happened, but on a go-forward basis, on our start-up meeting was to bring our employees, as they were all together, was to cover that material. To say, "Hey, you know, we need to be clear. This, this is what's permitted on a school bus. This is what's permitted on one of our field trips." And then, at that time, without knowing that there was that sense of fear or that Mr. Phinney and Mr. Taggart had, I guess, lack of better words, threatened our employees to perform acts. That sort of came out after the fact, to which we've since addressed, because, again, you know, sort of taken aback by the fact that that had happened.

[*ibid*, p. 321]

[240] Ms. Glavin stated the Schools sometimes take camping trips, in particular, to Kejimikujik National Park and Big Cove Camp. They also do school functions, like ski trips, where there is equipment that is not permitted to be transported on the bus. She testified that in those situations, Stock always uses a separate vehicle to carry those items and they are not transported in the school buses for the safety of everyone. Again, this is set out in Stock's policies and the Handbook. The list of prohibited items is well known by the trip coordinator who addresses carriage of these items when involved in these types of trips.

[241] Ms. Glavin advised the Handbook is not in a binder, where pages or sections can be replaced, but rather is reprinted each year. Consequently, there is no ability to amend it throughout the year, which is why Mr. Phinney is still noted as being part of the corporate structure.

[242] When Ms. Glavin referred to techs, they are mechanics; however, some are apprentices or lube techs.

[243] Ms. Glavin explained if there is a problem with the vehicle that should have been detected by the driver, the driver receives demerit points for not having identified it.

[244] Ms. Glavin confirmed the Occupational Health & Safety Committee does not have a representative for the non-unionized employees.

[245] Mr. Glavin stated she has always dealt with the School Board operations and using vehicles for charter is foreign to her. Consequently, as to her experience with temporary authorities or day permits, she stated:

- Q. So, am I correct that, in terms of the things that we hear often in charter work, such as temporary authorities and day permits, they're not things, really, the school bus service ever deals with?
- A. No. I remember years ago, when John Turney was our general manager, about getting a special trip authority to do perhaps like a volunteer trip for, like, a non-profit organization.
- Q. Mm-hmm.
- A. I remember him speaking to getting a special trip authority, and I know there's a limited number – I think it's six per year...

[Transcript, p. 327]

[246] Although Ms. Glavin knows the difference between the Board and the MCD, and that the latter has no authority to grant temporary authorities or trip permits, when Mr. Phinney told her that John Penney had given Stock the authority, it did not resonate with her.

[247] Ms. Glavin confirmed that, after the Board's Decision, there was an email sent out through Ms. Lowe to all employees indicating what Stock stands for. Ms. Lowe also stated it directly to the office staff and mechanics on a one-on-one basis. Furthermore, she advised where the Company was heading in the future, the current leadership team, and what was expected of staff. This was also discussed with the drivers in the Town Hall meetings.

8. Terry Preeper

[248] Terry Preeper is an Inspector with the MCD. All of the Inspectors are trade certified truck transport mechanics with some management experience. He has been a

mechanic since 1997 and has worked with the MCD since 2009. Although he had sporadically inspected vehicles at the Dartmouth CSC, he has been at that location full time for over a year. He and Mike Parker are the two primary Inspectors for Stock's Dartmouth location. Currently, one of them is there at least three days a week, Tuesday to Thursday, but sometimes more. They alternate weekly.

[249] Inspector Preeper outlined the inspections conducted by the MCD throughout the year. Every bus receives an inspection from the MCD every six months. They conduct a complete mechanical fitness of the bus including steering, brakes, tires, body, safety equipment, and lights. If there is a minor issue that does not relate to safety, such as an airbag light, the bus is permitted to be driven and Stock will be given a time period for completing the repair. If there is any major defect, the vehicle is not stickered and is not permitted to be operated. When Stock repairs the defect, the Inspector will check it again. If the repairs are satisfactory, then a sticker is placed on the windshield and the bus may be driven. If Stock decides it is not worth fixing a bus, that is not a safety issue, as the vehicle would never be used again.

[250] In addition, there can be roadside checks that are done on a sporadic basis by any Inspector anywhere. In that case, if a major defect is found, the bus is, once again, not permitted to be operated. It must stay where it is until either a mechanic comes and repairs the defect or it is towed.

[251] In the past, in particular, under Mr. Phinney's management there were problems. In addition to those noted in the Board's Decision, Mr. Preeper stated from time to time the MCD had difficulties with the buses being at the facility for their inspection.

When the Inspectors requested information from Mr. Phinney, typically, it was not provided to them. Repairs were not always completed on time.

[252] Mr. Preeper stated a lot has changed since Mr. Phinney has left Stock. The Company has increased the number of mechanics. Ms. Glavin is very collaborative. If the Inspectors want any information, it is given to them. It is no longer an issue:

Q. Have you ever had concerns, in the time that you've been with Stock, that someone from Stock was willfully obstructing you in performing your duties?

A. Mr. Phinney, in the past, had, when requested information from him, would typically not give it to you. But dealing with Amber, it has not been an issue.

[Transcript, p. 240]

[253] Ms. Truax is also very good to work with. Both are accessible and receptive to any concerns. They have decided to meet on a monthly basis. They met just two weeks prior to this hearing continuation. In his view, this meeting is an opportunity to exchange information, to discuss how things might be done better, and what things are working well. If there are any concerns, they will be able to bring those to the meetings. Since that meeting, they have not had difficulty with the buses not being present for their inspection. As to the timed repairs, this has been a problem in the past and they will work collaboratively to develop a procedure to ensure these are done on a planned basis.

[254] In response to Mr. MacPherson's question on the confidence parents can have that Stock's buses are being adequately and safely maintained, he said "Absolutely" (Transcript, p. 343).

[255] Inspector Preeper is of the opinion the Board need not issue a specific directive:

Q. And you're getting the kind of cooperation that you need, and you're getting the documents you need, and so, from my perspective, you're assuring me that, on this informal basis and the powers you already have, I don't need to set a specific directive?

A. I would say you do not need to set a specific directive.

[Transcript, p. 346]

9. John Cook

[256] John Cook is an Employee Relations Officer of NSGEU where he has been on staff full time since 2007. It is the largest union in Nova Scotia with 30,000 members in various sectors such as health care, trades, and education.

[257] He represents a few locals, two of which are with Stock. One is the drivers and monitors servicing the French School Board, the other is the group of mechanics, lube techs, foremen, drivers and monitors for the Halifax Regional School Board. He was assigned the Stock locals in the summer of 2016.

[258] His jobs are to negotiate any new collective agreements when they expire and to service those collective agreements which varies, but will include things such as disputes and grievances.

[259] When he took over these locals, Mr. Phinney was the primary point of contact with the employer for the union.

[260] Mr. Cook reviewed the standard steps and processes for a grievance including the informal process to resolve it with an immediate supervisor. In both, the negotiations of the collective agreement and the grievance procedures, Mr. Cook found Mr. Phinney to be uncooperative, including by not responding, responding too late, not providing dates, not providing documents, not appointing its arbitrator, and required the arbitrator to set dates and order the production of documents. He commented employers generally cooperate with these processes and procedures.

[261] Mr. Cooke also found that it was difficult to get a consistent set of facts upon which a grievance could proceed forward. Mr. Phinney's reasons for terminating an employee would change over time, making it difficult to address and resolve the matter.

[262] Since Mr. Phinney left, Mr. Cook described his interactions with Ms. Glavin and Stock to be very honest; and in negotiations; there has been a real exchange of ideas (Transcript, p. 351). With respect to grievances, the above were resolved after Mr. Phinney left. Now there is a more honest approach to the grievances. Stock engages with the shop stewards when they bring issues forward, and is willing to sit down and have an honest discussion about what the facts are and the resolutions.

[263] He described the Stock union locals as being very active. Members sit on three active committees including the legislated Occupational Health and Safety Committee, Extra Work Committee (which fairly distributes extra work) and Management Employee Relations Committee. The latter considers any concerns the drivers may raise which are typically non-collective agreement type issues. The issues are placed on the agenda, discussed, and minutes are recorded and kept. An example may be difficulties with the Zonars.

[264] If a driver is concerned there is something unsafe, they can speak to their local reps or shop steward. They also have a full-time Health and Safety Officer that can give them advice, on the spot, if it is a critical situation.

[265] For drivers operating beyond their permitted hours of service, he was not aware this has ever been an issue for the drivers that work for the School Boards. If an employee thought they were being asked to do something wrong and feared they would be fired if they did not do it, the recourse would be to file a grievance.

[266] Under examination by Board Counsel, Mr. Cook confirmed the *Labour Act* allows employees to refuse unsafe or unlawful work and they are protected from retaliation. Furthermore, this is not an uncommon issue in today's environment.

[267] In his view, NSGEU members in the Stock locals are well aware of their rights under the legislation. It is one of the union's responsibilities which it does through its educational programs for its members and the Health and Safety Committees.

[268] To the best of his knowledge there have been no refusals under the *Act* that he is aware of. Other than for snow storms and the cancellation policies.

[269] The collective agreement does not cover spare drivers. The jurisdictional boundary is whether a driver has a permanent route.

[270] On questions from the Board, Mr. Cook advised he was not aware that one of the union members refused to continue driving when Stock requested they drive straight from North Bay to Dartmouth. Even though this incident may have been addressed by the shop steward, it was not elevated to him.

V SUBMISSIONS

1. School Boards

[271] The School Boards stated they had intervened as a result of the Show Cause proceedings to ensure safety and maintenance by Stock was in fact being done. They take comfort from Mr. Preeper's comments that the buses are adequately and safely maintained. Furthermore, from the evidence there does not appear to be any great alarm in relation to the vehicles.

[272] On a go forward basis, they suggested the Board adopt the following recommendations:

1. Those working for third parties or doing extra-curricular trips, Stock have records and verification of the hours driven with third parties to ensure there is an appropriate system in place;
2. There be mandatory disclosure that an employee has third party employment; and
3. There be formal Safety Audits conducted at both CSC locations.

2. Stock

[273] Stock accepted responsibility for the actions of its managers. Its review of the facts in the past relating to Mr. Phinney, was solely for the purpose of showing the changes the Company has done to make a difference on a go forward basis and should not to be seen as foisting its responsibility.

[274] Even before the Board rendered its Decision, Stock was alive to there being problems and things not working well in Nova Scotia. With the restructuring of a separate Canadian division, the addition of Ms. Lowe and Ms. Truax, there is an intent to have real oversight and not just reporting in Canada and throughout the United States.

[275] The emphasis was not on instituting new policies, but rather ensuring the policies and procedures Stock already had in place were being utilized and not left inactive as a passive document. One of the reasons for having Mr. Preeper and Mr. Cook attend before the Board was to have people outside of the Company verify that the changes have been made and Stock is working in the right direction. This is not to say things are flawless, rather Stock is moving toward instituting its policies.

[276] Another key component was informing people they have access to the assets within Stock, its various experts and Directors, such as the National Safety Director. Even legal counsel is now at their disposal. This is different than just telling people they have to report to the one manager, as was done by Mr. Phinney.

[277] Mechanical fitness of Stock's school buses is not an issue, in particular, with both the significant upgrades and additional service personnel.

[278] As to the drivers' overall culture, Stock is receptive to any recommendations. In addition to the Hotline Policy, that has always been there, once again, it was making sure people have the knowledge to use it. Being asked to work beyond their permitted hours, drivers have the ability to launch a grievance, this is another reason why Stock wanted Mr. Cook to testify.

[279] In relation to the Scouts Jamboree, the Board had queried whether the propane tanks on the bus was because the bus drivers did not know the rules or felt compelled to do it, even though they knew it was wrong. Mr. Scott offered a third scenario:

... I don't know if it's exclusively those two, and it doesn't provide any more comfort, but it could very well be that we're dealing with a situation where, if you have a manager who's suggesting that a driver do this, I think we can reasonably assume that that driver knows that they can't take a propane tank on a bus. It would be, it would be shocking if, if we had a professional school bus driver that didn't know that. It's certainly possible that that driver, if being requested to do it or being suggested that it was okay from someone senior to them – say, a manager – that, despite the fact that they know it's wrong, in their mind, perhaps they think if the boss says it, that's okay, and that he's, he's the one who makes the call. That, that's not an education issue. That's not the driver not being aware of what's right and what's wrong. Nor is it necessarily one of them being bullied or threatened.

[Transcript, pp. 380-381]

[280] Mr. Scott argued Stock's operations, when not under the influence of Mr. Phinney, have worked well. He used Cambridge CSC as an example. Ms. Coldwell, who was basically neglected by Mr. Phinney, operated a very well run portion of Stock operations. Cambridge followed the policies and procedures, and with its experience and

capabilities have done a very good job. Stock's problems have come out of the Dartmouth CSC. It also had nothing to do with the well qualified managers, maintenance managers, drivers and service bay personnel at the Dartmouth CSC. Consequently, Stock argued that giving Ms. Glavin the opportunity to work with her qualified staff will address most of the concerns raised by the Board in its November Decision.

[281] In advance of the hearing, and in an effort to be proactive, Stock has tried to implement a number of things to address the Board's Decision.

[282] Stock concluded, as it began, by stating it was happy to discuss other specific changes the Board thinks would be helpful.

VI FINDINGS

1. Summary

[283] In this continuation of the Show Cause proceeding, the Board held this hearing to determine what, if any, terms, conditions and orders would be appropriate to address the breaches and concerns outlined in the Board's November Decision that may affect the operation of Stock's school bus services. The Board was concerned to know whether the local culture existed within the Company above Mr. Phinney and how to overcome the culture present in Nova Scotia for those employees managed by Mr. Phinney.

[284] After considering the testimony of the witnesses, the materials and submissions, the Board is satisfied the culture exhibited in the Show Cause proceedings is not conduct supported by Stock and its parent company National Express, nor shared by any current senior staff above the Regional Manager position held by Mr. Phinney.

Mr. Phinney is no longer with Stock. The CAO responsible for the North American operations appeared before the Board, accepted responsibility for the lack of oversight, apologized, and outlined Stock's organizational changes made before the Decision was issued.

[285] As would be expected of any large corporation like National Express, it has numerous processes and procedures to safely and effectively operate its school bus services. Stock has received satisfactory safety ratings in Nova Scotia from the Department of Education.

[286] For Nova Scotia employees, Mr. Phinney had a different impact upon the cultures at the Cambridge and Dartmouth CSCs. The Cambridge CSC was effectively left on its own and was, and is, operated very well and efficiently.

[287] At the Dartmouth CSC, changes are being made: existing procedures and processes are being implemented and used; new avenues of communication have been opened; support is provided; honesty and collaboration exists in its dealing with third parties including the Inspectors at the MCD and NSGEU. Stock acknowledges continued work is required. It will take time to change.

[288] Most importantly, on the ground level of service delivery, the Board remains concerned that the culture 'to do as you are told, even if contrary to the law, or you will lose your job' appears to be present in the Dartmouth CSC even after Mr. Phinney left Stock.

[289] All incidences with Mr. Phinney, and most recently with Scouts Canada, should be analyzed and in the forefront of Stock's management in reviewing its policies and, if necessary, redrafting them; and determining how to effectively alter that culture

through its training, communications, reporting, and assisting its drivers when they find themselves in those situations.

[290] With Stock's feedback, some directives and/or recommendations from the Board and School Boards were modified and Stock has agreed to implement them. As each is completed, Stock will inform both the Board and School Boards of the completion and file any associated materials.

2. Goals, Policies and Procedures

[291] The information provided by Stock in the initial Show Cause Hearing was very scant to the point of being virtually non-existent. In this continuation of the proceedings, extensive materials and *viva voce* evidence was provided showing a very different and advanced Company with set goals, regular employee education, safety procedures and policies, including the Hotline Policy, and tracking drivers' hours of work. The Board will summarize some of these.

[292] The Company's goals are set out in its Vision and Mission statements and Visions and Values, provided to all employees within its robust and extensive Employee Handbook. Those goals are to provide safe, excellent quality transportation services to its students in compliance with, its Licenses, the legislation, *Regulations, Rules* and Orders.

[293] Drivers are given a three-week initial training program and Handbook when they are first hired. Continuing education programs are conducted before the commencement of each school year in August and employees are provided with an updated Handbook. During the year, they were also held on the teachers' in-service days.

[294] The Company has detailed practices to accomplish its goals of providing safe, excellent services supported by ever-advancing technology, such that Mr. Ashley states they have the best practices and procedures in the Industry. These are outlined in the Handbook, including general information about hours of service and responsibility for compliance.

[295] For example, Stock tracks 12 Key Performance Indicators being: accidents, injuries, idling, preventive maintenance compliance, speed, swipe compliance, child check, on-time service, financial profits, wages, wage to revenue percentage, on-time performance, pre-trip inspection and post-trip inspection. Each has metrics. Much of the information is collected electronically, uploaded to its computer programs, analyzed and may be monitored by its Managers at anytime.

[296] These systems include a Zonar device which the driver swipes into and out of signalling the start and end of work. With seven tabs on the outside and inside of the vehicle, it prompts questions for the driver to answer, including whether a child has fallen asleep on the ride to school. This device is connected to the GPS on each vehicle which provides not only the vehicle location, but its speed. The information is uploaded into the Compass computer system and to the Domo program. The analysis is updated as the information is received and can be monitored at anytime. Ms. Truax receives a notification on her phone when a vehicle is speeding.

[297] The vehicles currently have a CCTV which provides a continuous video. Stock is adding to its vehicles in Canada by the fall of 2019, DriveCams which have two cameras, one facing out to the street and the other into the vehicle. When a driver breaks suddenly, it will take a video clip of five seconds before the event and five seconds after

to see if the driver was following the car in front of it too closely. The DriveCam may assist catching those cars passing a school bus when it is stopped.

[298] The information collected for the KPIs assists in improving safety. For example, Cambridge has reduced speeding to three minutes of 10,000 miles driven. As Ms. Coldwell stated, the computerization and the information they are able to collect is mind boggling. It is reviewed on two conference calls each week with Ms. Truax. Where there are problems, the General Managers come to the meeting with solutions to improve, which are monitored on a regular basis. Once a month there is an extended meeting in which the KPI analyses are reviewed in more detail. Ms. Truax also discusses these at the senior management meetings each Monday.

[299] When the information collected shows the driver could improve his/her skills, this is considered a coachable issue. The driver is brought into the office, given additional training and a record of the training is placed in her/his file.

[300] Stock is constantly looking for ways to improve the preventable accidents and its safety. It is currently considering an initiative to address a driver being tired such that within 30 seconds of her/his eyes not moving, the seat or steering wheel will shake.

[301] Stock also has processes and procedures affecting employees' rights and communication. One of the important policies of note in this case is that Stock had, and has, a Hotline Policy operated by an independent third-party. Anyone may file a complaint anonymously or may leave her/his name. It is investigated and the report is sent to Stock's counsel.

[302] All unionized drivers also have access to their shop stewards and any relevant grievance procedures through their collective agreements.

3. What Went Wrong

[303] All of the above, the goals, policies, procedures, training, including Hotline Policy were in existence when Stock engaged in all of the breaches and activities outlined in the Board's November Decision. How were those breaches possible? What went wrong?

[304] The Board will review the issues under the following topics:

1. Culture above Mr. Phinney;
2. Mr. Phinney's conduct;
3. Lack of oversight;
4. Not utilizing the whistle blower Policy;
5. Not fully utilizing safety systems in Dartmouth;
6. Dishonesty/lack of cooperation; and
7. Fear or Culture.

[305] The safety issues overlap amongst the above, therefore, various topics are divided between them. For example, the Board will review some of the safety issues and drivers' hours under not fully utilizing safety systems in Dartmouth, in honesty it will include vehicle mechanical inspections and under culture will also discuss being asked to drive longer than the permitted hours and carriage of prohibitive items on school buses.

[306] Considering the policies and practices available when the breaches occurred, the most important changes on a go-forward basis shall come from a thorough analysis and determination of solutions to overcome Stock's culture at its Dartmouth CSC and to continually address and reinforce those solutions. Some are addressed in this Decision, but it is not an exhaustive list of what may need to be done.

4. Superiors Culture

[307] Mr. Phinney was the person in charge of ordering and permitting the various breaches outlined in the Board's November Decision. In an analysis of how these may affect school bus services was the critical question of whether these types of breaches were promoted, permitted, or condoned by his superiors within Stock/National Express?

[308] From the materials filed and the evidence of Mr. Ashley, the Board is satisfied that the conduct of Mr. Phinney is not supported by National Express and is contrary to its goals. For example, the opening of the Employee Hotline Policy in the Handbook reads as follows:

It is the intent of the Company to adhere to all laws and regulations that apply to the organization and support the organization's goal of legal compliance. The support of all employees is necessary to ensure compliance with various laws and regulations.
[Emphasis added]

[Exhibit S-3, Tab 19, p. 38]

[309] There is no information on the position of Mr. Phinney's immediate supervisor in charge of the Eastern North America area at the time of the breaches. Mr. Ashley stated that, in his view, the previous structure of the organization was such that there was a lack of oversight of Mr. Phinney's conduct. This will be described in another section.

[310] Mr. Ashley is now in charge of the North American operations and has held that position since September 2017. Consequently, he had no involvement in any of the breaches. Having heard from Mr. Ashley and the other witnesses of Stock and National Express, the Board is satisfied the types of breaches found in the initial Show Cause proceedings will not be permitted or condoned in the future.

5. Troy Phinney

[311] The Board's November Decision related to the detected breaches and concerns to the dates of the initial hearing in February 2017. These included the conduct of Mr. Phinney which the Board found impacted safe quality services contrary to the law by, amongst other things, directing drivers to drive beyond their permitted on-duty hours; firing the two non-unionized employees who resisted; creating a culture of *do as you are told, even if contrary to the safety regulations, or lose your job*; resisting MCD directed inspection when the vehicle was found to be unroadworthy; operating outside of Stock's Licenses and utilizing vehicles as he wished; not following systems, processes and procedures in an effort to hide this conduct and breaches; providing false, misleading and/or incomplete information to the MCD and Board; and in one instance, giving false information to a customer to forward onto the MCD.

[312] At this hearing, the witnesses testified to additional problems and concerns. A prime example was Mr. Phinney's agreement that Stock do a charter for Scouts Canada's Jamboree with 60 school bus vehicles (50 with cages). Although charters were operated out of the Cambridge CSC, Mr. Phinney personally agreed Stock would do the work. He advised Stock had 50 school buses with cages, which it did not. There were no files, documents or other information for this charter.

[313] The witnesses also testified Mr. Phinney would not allow anyone to provide any information to the MCD. All such requests had to be forwarded to him for response.

[314] When Mr. Phinney left, the witnesses stated he took his computer and cell phone owned by the Company. There were almost no files or other materials in his office.

[315] Mr. Phinney is no longer working with Stock. Therefore, those breaches and concerns relating to his specific conduct, have been addressed. His negative influence upon those who worked under his management and the culture he left behind, as well as the other problems, are addressed in the sections below.

[316] The Board has been advised Mr. Phinney is currently employed with First Student which is not licensed by the Board and, therefore, not operating in the Province.

[317] The Board will not make further findings of fact in relation to the additional testimony as this hearing, as Mr. Phinney was not present before the Board to speak to the evidence.

[318] However, considering Mr. Phinney's past conduct as outlined in the November Decision, the Board agrees with Mr. Ashley's comments in this hearing that Mr. Phinney should not presently be operating in the Industry. The Board has found the objects of the *MC Act* are to provide safe, quality, sustainable motor carrier services for the transportation of the public in Nova Scotia and those travelling from and to the Province. The Board, therefore, concludes Mr. Phinney should not operate or direct the operation of public passenger vehicles unless and until he appears before the Board and satisfies it that he has changed and will provide safe, quality, sustainable transportation services in accordance with all statutes, *Regulations*, *Rules* and *Orders*.

6. Lack of Oversight

[319] The Board finds Stock, as a company, was and is committed to providing services that are in accordance with its Licenses, statutes, *Rules*, *Regulations* and *Orders*.

[320] When the Regional Manager for Canada was not replaced, Mr. Phinney was to report directly to the Manager for Eastern Canada and the United States. Mr. Ashley stated he thought the latter was too busy to provide any effective oversight of Mr. Phinney's operations.

[321] Stock has made structural changes, most of these in 2017. Canada was included with the Eastern United States. It is now a separate division with its own COO, National Directors, and Regional Managers which oversee the General Managers of local Customer Service Centres.

[322] The Board concurs with Ms. Truax that it is not enough to have a structure in place or on paper. To achieve accountability, Managers have to have effective oversight, presence, and collaborative working relations with their staff.

[323] Stock has instituted these, including conducting regular meetings by conference calls twice weekly and longer ones monthly between the General Managers and Ms. Truax. There are weekly business review meetings with the senior management team including with Ms. Truax, her counterpart and Ms. Lowe. Ms. Truax has been present in the Dartmouth office three days each week. The senior management team has and will continue to travel to Nova Scotia on a regular basis where they informally also conduct spot audits of files to ensure the procedures and structures are being followed.

[324] Various senior managers have been present at local staff and drivers meetings, opened communications and given their contact information to them. They have also requested ideas on Stock engaging with their communities.

[325] The Board finds that with the current structure and the dedication of those individuals who appeared before the Board, if this continues into the future, as is planned,

the Board is satisfied there is a commitment to providing safe quality services in compliance with the law and oversight of operations to achieve compliance.

7. Whistle Blower Policy

[326] At the time of the breaches, the whistle blower Employee Hotline Policy was in effect. With respect to the employees below Mr. Phinney not reporting or complaining, raises issues that need to be examined and explored as much as possible. There are a variety of things to be considered under this topic. For the trip from Northern Ontario, drivers' hours were not exceeded because one of the drivers asked to drive beyond the permitted hours was unionized and had the ability to contact his shop steward and had the trip stopped. What would have happened if all drivers had been non-unionized? Who do they contact to stop an unsafe directive from their supervisor? For that reason, the Board included in its directions for Stock to designate a person(s) the non-unionized drivers are able to contact when the directive is given or perceived. Stock need not provide the Board with those names, and the names can change, but there must be people identified that they can speak to immediately.

[327] Ms. Glavin stated she recalls some time ago the HR Director mentioned it in one of the staff meetings and believes it was communicated to the drivers as well in the past.

[328] Stock's current managers were concerned the employees did not have adequate knowledge of the policy. Before the hearing, Stock on its own initiative included it as part of its Town Hall/Staff educational sessions in January 2018. The policy was reviewed and a sheet of paper was provided to the drivers which contained the 1-800

number for the Whistle Blower number along with telephone numbers of other managers, staff and the drivers could contact within the company.

[329] To ensure the drivers can easily access the 1-800 Whistle Blower number, the Board directed that it is to be printed on a business card so that it can be easily carried in a drivers' wallet. Stock is welcome to add any other numbers it wants for its drivers.

[330] The Employee Hotline is to be rewritten to specifically address an employee's ability to contact it, if an employee has been asked by her/his superior to act contrary to any law, Stock's Licenses, *Rules, Regulations*, and/or Order.

[331] Due Process section to be re-written and provide a better dispute resolution process that is effective for spare drivers, specifically, addressing the concerns before the Board in these proceedings, including when it is one's superior who is giving the directive to operate contrary to the law.

8. System's not Used in Dartmouth

[332] Mr. Ashley stated the only way Mr. Phinney could operate outside of Stock's processes was to physically remove the GPS from the vehicles, to override its various systems, and either pay the drivers through that override or pay them cash.

[333] When Ms. Truax visited the Dartmouth CSC office in 2017 she noted that a number of the systems above were not fully implemented or in place. Although it was collecting some of the information, it was not being included in the systems and computer programs that Stock has. Also in this section, the Board will include the systems for collecting the information on the drivers' hours.

[334] Ms. Truax commented it was unfortunate the systems were not fully implemented previously in the Dartmouth CSC office, as she found Ms. Glavin to be very knowledgeable and her team capable of implementing these policies and procedures.

[335] As to Stock's efforts to overcome the breaches and concerns, Ms. Truax has been working with the Dartmouth CSC to fully implement Stock's processes and procedures and ensure they are working properly and effectively. Ms. Truax spends at least three days a week in Nova Scotia and is in daily contact with Ms. Glavin. Ms. Truax testified this is a work in progress and will take time to complete.

[336] In addition, Ms. Lowe has been there a number of times, as has the senior management team, and this will also continue.

[337] The Board concurs with the School Boards' recommendation that there be a formal Safety Audit of both CSCs, which encompasses issues in this and the next section.

[338] The issues relating to drivers' hours include: (1) the culture of thinking you must do as directed or expected, even contrary to the law, or lose your job; (2) full knowledge and understanding of the hours a driver is permitted on-duty and driving; and (3) ensuring Stock always knows when drivers are approaching their permitted hours, including hours they have been commercially driving for another employer and completing drivers' logs.

[339] The first issue will be addressed in the Fear or Culture section below. This Section will consider the last two issues.

[340] For the school bus services, the drivers' hours are generally four to five hours a day when they are doing home-to-school services; being approximately two hours

in the morning and two hours in the afternoon. Stock has always known the number of hours its drivers work for its school bus services because drivers swipe-in on Zonar or call into the dispatch when they start their run in the morning and swipe-out or phone the dispatch when they have completed their run.

[341] The times this has not worked was when Mr. Phinney took the GPS/electronic equipment out of the buses. With Mr. Phinney's departure and Stock reinforcing with all staff the Company's goal to always operate within the law, the removal of equipment recording drivers' hours should not happen again.

[342] To improve the knowledge of permitted hours of work and recording them, Stock has taken a number of initiatives as a result of the Board's Decision. Firstly, Stock has hired Mr. Georgopoulos of CSI. He previously worked with Stock and is familiar with the law in Nova Scotia. He has been working with the Dartmouth CSC office providing education training to everyone about the law.

[343] Within the monthly safety educational meetings, Stock has specifically addressed permitted hours of work.

[344] Stock has purchased and utilized CSI's monthly daily log sheets. This comes in the book. Behind each month there is a carbon copy. A full month appears on one page. On each day, the driver will record the time s/he started work and the time finished. The sheet is provided to Stock at the end of every month. The driver tears off the top sheet and provides it to Stock, maintaining the carbon copy in the book. Stock keeps the sheets in the driver's file. On a historical basis, Stock may determine the number of hours a driver has been on-duty as well as the number of hours driven from the Zonar system.

[345] Drivers on an extended trip are given a single day driver's log in the *Regulations* for the *MC Act*. These are completed and provided to Stock. The drivers are also responsible for advising the dispatcher of the hours they have been driving and on-duty.

[346] In the Cambridge CSC office, its drivers that also operated charter services would complete the daily logs for every day they worked, whether doing school bus or charter services, and provided the logs to the office each week.

[347] At present, Stock adopted a process for a driver working with a third party, to still use the monthly log. The driver draws a vertical line through the day, on one-side they record the hours on-duty for Stock and on the other side record the hours on-duty for the second service provider.

[348] Although Stock had provisions in place for drivers to advise Stock they are also driving commercially for another company, under recommendation from the School Boards, Stock has agreed to amend its Handbook to make this directive mandatory.

[349] The Board is concerned with using the monthly sheets for drivers with a second employer. The main concern is that it is not detailed enough to accurately show the number of hours driven for the second employer.

[350] Consequently, the Board directs the process historically used in the Cambridge CSC will be required in Nova Scotia. The monthly sheets may only be used by those drivers solely employed with Stock. The Board is satisfied that the monthly sheets with the Zonar swipe-in/swipe-out (or call-in/call-out with the dispatcher), Stock knows the number of hours the driver has driven and has been on-duty.

[351] For anyone commercially driving with a second employer, they are to use the daily log sheets. A copy must be provided to Stock every week. These daily log sheets will also be used, anytime, Stock's drivers are on an extended trip.

[352] The Board requires the new Handbook to be used in Nova Scotia this fall to provide the specific number of hours permitted within Nova Scotia, a copy of the two forms, when they are to be used, and how they are to be completed.

[353] The Board also concurs with the School Boards' recommendations regarding mandatory reporting to Stock when commercially driving with another employer and accurate records of hours driven or on-duty, the later addressed above.

[354] Schools take trips that may extend beyond one driver's permitted hours. The Board initially considered prohibiting Stock from doing any of these trips, but after this hearing finds that is not necessary. The Board finds no directive is required for the Cambridge CSC. For the Dartmouth CSC, the Board requires its extended trips be monitored by the MCD for one year, after which the MCD shall report to the Board and, if necessary, make any further recommendation it considers appropriate, as outlined in the Conclusion section. Initially, Stock suggested the extended trips would be those travelling beyond the 160 kilometer perimeter from the Dartmouth CSC. However, drivers' permitted hours may become an issue within that perimeter, for example, when students are attending a sport tournament 150 kilometers away and are there for the day and into the evening. Rather, the trips to be monitored are those when a single driver will be close to her/his permitted hours of work or driving.

9. Dishonesty and Lack of Cooperation

[355] In the November Decision, the Board set out the dishonesty and lack of cooperation from Stock both in its dealings with the MCD and the Board. Under Mr. Phinney's management this included delays and, from time to time, vehicles would not be presented to the MCD for required inspections. Furthermore, Mr. Phinney sought to delay the inspection of a vehicle which ultimately, was found to have major defects and was removed from operation. He claimed this vehicle had been checked by Stock's mechanics and was roadworthy.

[356] One of the significant difficulties in the past, was Mr. Phinney being dishonest in his dealings with the MCD and Board in almost every type of interaction with them from the vehicles themselves, his use of the vehicles, to questions about the Licenses; even to him giving false information to a customer to give to the Board.

[357] In this section, the Board will review the inspections of vehicles and working with the MCD.

(A) Inspections

[358] Stock inspects each vehicle every four months.

[359] Every six months, the MCD does a thorough mechanical inspection of the vehicles from top to bottom. If there are major defects, the vehicle is not permitted to operate and it is not stickered. Once the major defects are repaired, it is re-inspected before it is permitted to transport passengers. If it is never repaired because of cost, it never operates again.

[360] In addition to these regular inspections, there are also spot inspections by the MCD that can occur anywhere, at anytime, on any vehicle. Once again, if there is a

major defect, the vehicle is not permitted to operate until it is satisfactorily repaired either on the spot or is towed and repaired at the shop.

[361] Minor repairs are not a safety concern. For example, a light indicator not working. Stock is given a time period to complete the repairs, usually 30 to 60 days. During this hearing, the witnesses for Stock and Inspector Preeper, indicated there have been problems completing these repairs on time. This is an administrative issue that does not affect the safety of the passengers on these vehicles if they are not repaired within the time period.

[362] Stock has, however, prior to attending at the hearing, been addressing its administration and working with the MCD to design a chart to improve timely minor repairs.

(B) Working with MCD

[363] Under Mr. Phinney's management all requests of the MCD were directed to him. In its November Decision, the Board found he was not cooperative or honest in his dealings with the MCD. With Mr. Phinney no longer employed with Stock, this opens avenues for a different relationship.

[364] Mr. Ashley testified the Company welcomes third party inspections of its vehicles such as those performed by the MCD. Sixty percent (60%) of Stock's vehicles are inspected by third party organizations. The Company finds this very helpful. Although it has a high safety vehicle standard within the Company, the more eyes viewing its buses assists in Stock's safety goals.

[365] The Company also advocated full cooperation with the MCD at all levels. Ms. Lowe, Ms. Truax and Ms. Glavin have all communicated with the Inspectors of the

MCD advising they will receive full cooperation, are open and willing to work with the MCD at all times, and if the MCD experiences any problems, they may speak to anyone of them. Furthermore, Ms. Glavin now has the authority, with Mr. Phinney's departure, to immediately provide any and all information or documentation sought by the MCD.

[366] The safety mechanical personnel within National Express have a separate reporting structure through various levels to the North American Vice-President of school bus services, Mr. Leimbach, while also providing information to the General Managers. Mr. Leimbach emphasized everyone under his management will fully cooperate with the MCD. If there are any issues, the Inspectors may also contact him directly.

[367] Stock has increased the number of mechanics at the Dartmouth CSC and made a substantial investment in new vehicles. It is also improving its processes and systems there to address all aspects of its operations and coordination with the MCD, including creating a chart for timely completion of non-safety minor repairs.

[368] All Stock witnesses who testified before the Board appeared to be honest, sincere and dedicated to providing safe, quality transportation to the School Boards they service.

[369] Mr. Preeper spoke of the difference in Stock today versus when Mr. Phinney was present. He has experienced cooperation as well as clear indications staff are going to work with the MCD and are accessible to him, if there are any problems. As stated above, the MCD, Ms. Truax and Ms. Glavin are now engaged in regular monthly meetings in addition to their constant informal interactions.

[370] The Board specifically asked Inspector Preeper whether he thought the Board needed to provide any specific directions; and he did not.

[371] The Board finds there now appears to be an honest and cooperative relationship between Stock and the MCD. The Board is satisfied the safety of the mechanics of the vehicles themselves in the operation of the school bus services is not an issue.

10. Culture / Fear

[372] The Board found some staff under Mr. Phinney's management believed they were to do as they were told, even if contrary to the law including safety regulations, or risk losing their jobs. This was exhibited when Mr. Phinney directed the drivers to exceed their permitted hours of service (on-duty and driving) and to drive the buses straight through from Northern Ontario to Dartmouth. The two non-unionized drivers believed that if they did not do as they were told, they would lose their jobs. The trip was stopped and they lost their jobs. A shop steward for the one unionized driver, stopped the trip.

[373] Another critical question for the Board arising from its November Decision was the prevalence of this fear (or culture) and what impact could it have on Stock's school bus services? This question was answered by another incident that occurred after Mr. Phinney had left Stock. In July 2017, some of Stock's bus drivers had propane tanks, cooking stoves, large pieces of wood, and other objects on the school buses that would also be transporting scouts to their Jamboree. The breaches of this incident include:

1. The above items are prohibited from being carried on the bus where they are not confined behind a cage, as each can become a projectile object and result in injury or death to a child if, for example, the bus stops suddenly or is in an accident;

2. These items were blocking the rear exit of the school bus door which is to always remain clear for children needing to escape from the bus to safety; and
3. They included condensed fuel containers (propane tanks) that can cause injury or death to children if, for example, the tank is not fully closed and is slowly leaking propane, or explodes from an accident where there is a fire on the bus or the tank is damaged.

[374] Stock's existing policy requires the transportation of these items in a separate vehicle. The Transportation of Items on School Bus Policy (TISB Policy) lists the items not permitted on the buses. The policy is on one sheet of paper. It has been effectively utilized in the past, as Stock has done these types of movements for School Board sponsored activities including taking students and their camping gear to various sites like Kejimkujik and Big Cove Camp.

[375] The importance of this Jamboree incident is what it reveals about the fear or negative culture at Stock's Dartmouth CSC and what needs to be done to counteract any employees who think they are to act contrary to the law and/or policies.

[376] As Stock's counsel stated, he doubts any of the drivers did not know these items were prohibited and could not be transported on the school buses with the scouts.

[377] The question then becomes, so why did those bus drivers allow those items on the school buses? Mr. Phinney was no longer with Stock at the time and, therefore, he did not give a specific directive, as was the case with the drive through from Northern Ontario. There does not appear to have been anyone from Stock who gave that type of specific directive to the drivers. Did the drivers assume someone from Stock had given permission to load the buses contrary to the law? What gave them that impression? If it

was not someone from Stock, did they succumb to someone in authority with Scouts Canada? Do they perceive people in charge of charters or trips for the School Boards or customers have authority over them and may place prohibited items on the buses? Even if someone from Stock and/or Scouts Canada gave permission to act contrary to the law, why were the drivers prepared to do the same?

[378] An analysis of this incident, from every conceivable angle, is necessary for Stock to conduct in order that it may do everything possible, throughout all aspects of its organization from policy changes and training to communications, to ensure no one with Stock in Nova Scotia, under any circumstances or scenarios, will act contrary to the law.

[379] Prior to this hearing, Stock had taken some initiatives to correct this culture which it acknowledges will take time. For example, in its January 2018 Town Hall/Staff meetings with all drivers, it addressed this issue and other concerns noted in the Board's November Decision.

[380] The Board has made additional directives which Stock has agreed to implement. These include a specific training session about operating contrary to the law, which Stock advised it will do within the next six months. This session is to take drivers through many different scenarios, including when drivers may be making an assumption that they are expected or are being directed to do something contrary to the law. The message that they are never expected or permitted to act contrary to the law must be explicit and unequivocal.

[381] The drivers must also be taught skills to address potential breaches at the time they are happening. The drivers must be empowered and know they are never to

act contrary to the law, they are sufficiently supported to never do so, and there will be no retaliation.

[382] In addition to management, unionized drivers have the ability to contact a shop steward to stop an impending breach. The same is needed for the non-unionized drivers. They need someone they can contact in that situation to get immediate assistance to stop an action contrary to the law.

[383] The Board directs the above prohibited items are to be added to the list in the TISB Policy. In addition to listing compressed fuel, it will also specifically state propane tanks and cooking stoves. Stock may include other items it considers appropriate.

[384] In addition to the TISB list being provided to every driver, the Board directs it be provided to the School Boards Stock services. Mr. MacPherson advised that due to potential changes in their structures, it should be directed to the Operations Directors. The Board directs it also be given to their counsel, Mr. MacPherson. The Board requests each school be provided with the TISB list as well.

[385] Unfortunately, Stock's Employee Handbook is not in a small binder form where pages can be amended and/or inserted. Stock produces one Handbook for its operations and, therefore, provides only general information on topics such as drivers hours. The information does not include the specific regulations applicable to each CSCs in their different jurisdictions. To assist in emphasizing the fact that a driver is never to operate contrary to the law, the Board directs segments of the Handbook given to its employees in Nova Scotia be changed for this coming year so the message is front and

centre. Consequently, the cover must state the word "Safety". Stock may include it in any message it chooses, such as its Vision or a Value statement.

[386] The first page, on the right-hand side, shall contain two statements: (1) restate safety in any message it chooses; and (2) at no time, is any employee to operate contrary to the law.

[387] The following page shall provide a brief summary of Nova Scotia's permitted hours for drivers, both on-duty and driving. It will also include a list of the items that cannot be transported on the buses.

[388] The Hours of Service section shall include that it is mandatory for drivers to inform the Company when they are driving for another employer, their hours of commercial driving, and that they are required to refuse work if they may exceed their hours; restate in more detail the specific hours of service permitted in Nova Scotia; include copies of the drivers' logs explaining each and how to complete them.

[389] The whistle blower Hotline and Due Process Policies are to be rewritten to address the above breaches, including when one's superior is the one directing a person to act contrary to the law.

[390] Others are noted in the Conclusion portion of the Decision.

VII CONCLUSION

[391] Considering the breaches and concerns found in the Show Cause proceedings as outlined in its Board Decision of November 14, 2017, the Board wanted to ensure the issues and concerns were addressed by Stock and to determine what, if any, terms, conditions or orders may be appropriate for the operation of its school bus

services. Specifically, the Board wanted to ensure the culture it found did not extend above Mr. Phinney within the Stock organization and to correct the culture he created with the staff under his management in Nova Scotia.

[392] The Board was pleased to hear from Mr. Ashley, CEO, and Mr. Leimbach, VP of School Bus Services, of the North American operations for National Express. Mr. Ashley stated the Company took the concerns and breaches the Board found in the Show Cause seriously, accepted responsibility for them, apologized, and testified to the Company's commitment to safe, quality services. The Board is satisfied Stock's services in Nova Scotia as operated by Mr. Phinney, is not supported by Stock and is not the culture of the senior staff of the Company.

[393] As to the current culture in Nova Scotia, Mr. Phinney and Mr. Taggart no longer work for Stock. Prior to this hearing, Stock had made changes to its structure and organization. The General Managers at the Cambridge and Dartmouth CSCs report to the Regional Manager for Eastern Canada who reports to the COO and Senior VP of Stock. In addition to these individuals, the GMs also have access to, and are supported by, national Directors of Maintenance, Safety, Business Development, Human Resources, Finance, and local legal counsel.

[394] The information provided by Stock in the initial Show Cause hearing was very scant to the point of being virtually non-existent. In this continuation of the proceedings, extensive materials and *viva voce* evidence was provided showing a very different and advanced Company with set goals to provide safe, excellent quality transportation services to its students in compliance with its Licenses, legislation, *Regulations, Rules* and Orders.

[395] Stock/National Express had detailed policies and procedures, including regular employee education, a third party administered whistle blower Policy, and 12 Key Performance Indicators supported by ever-advancing technology to accomplish these goals, such that Mr. Ashley states the Company has the best practices and procedures in the Industry.

[396] As to the negative culture created under Mr. Phinney, this appears to be present only in the Dartmouth location as he, generally, left the Cambridge CSC alone.

[397] The Board is pleased with the steps Stock took prior to this hearing. The Board finds, however, further directives are required. Stock is willing to enact the directives of the Board, which include the recommendations of the School Boards, and after review and clarification from Stock, appropriate modifications and/or methods for their implementation were achieved.

[398] The following are the directives of the Board:

Education

1. Within six months, Stock will hold an education session for its drivers and staff which, specifically, addresses that they are never to operate outside of the law, Licenses, *Rules*, *Regulations* and *Orders*. It shall include various scenarios such as when a driver thinks or assumes her/his boss has given approval to operate outside of the law or they are to succumb to someone in authority with the customer (schools).

Safety Audit

2. Stock will complete an entire Safety Audit for both the Halifax and Cambridge CSC's by May 31, 2018, and the results and recommendations or remedial steps shall be provided to both the Board and Mr. MacPherson for his clients.

Drivers Hours

3. All commercial drivers working for other service providers must use the daily driver's logs [Exhibit S-8] and must provide a copy to Stock at the end of each week. These shall also be used for any extended trip for Stock.
4. The simplified monthly drivers' time sheet [Exhibit S-7] may only be used by drivers who work solely for Stock.

Whistle Blower Policy

5. The whistle blower 1-800 Hotline number will be printed on a business card which can be easily carried in drivers' wallets. Stock is welcome to add any other phone numbers its wants for its drivers. This will be completed by the end of March 2018.

Spare Drivers

6. Spare drivers shall be given information for a contact person(s) they may call, if they need immediate assistance for a problem.
7. There will be a spare driver representative on the Occupational Health & Safety Committee.

Prohibited Items

8. Stock shall add to its Transportation of Items on School Bus Policy [Exhibit S-12] the following list of not permitted items, as well as any other items Stock thinks appropriate:
 - Compressed gases or oil;
 - Flammable materials;
 - Propane tanks; and
 - Cooking stoves
9. The above list will be provided to every driver, Operation Director of each School Board, and Mr. MacPherson.
10. To ensure that unsafe items are not transported on the school buses Stock shall:
 - (1) Review it in on educational session as noted above;
 - (2) Drivers will be provided with the updated list which specifically names propane tanks;
 - (3) When the Zonar is updated, Stock will add a specific question for the bus driver to answer regarding whether any prohibited items are on the bus (this will take some time to develop); and
 - (4) It is understood that when the cameras are introduced next year, it will assist in identifying what is being transported on the school buses.

The Handbook to be distributed in Nova Scotia this year shall include the following:

11. The Cover shall include the word "safety" which may be contained within a statement of Stock's choice;
12. The first page on the right-hand side shall include two messages:

- (1) Safety, once again, contained within a statement of Stock's choice; and
 - (2) A message to the effect of: "At no time, is an employee of Stock to operate contrary to the law, *Regulations*, and *Rules*";
13. On the next page, there will be:
- (1) A brief summary of the specific hours drivers are permitted to be on-duty and/or driving in Nova Scotia;
 - (2) A list of the dangerous goods they are not permitted to carry on the buses;
14. Hours of Service section:
- (1) Add wording similar to the following:

Confirming that to ensure compliance with applicable hours of service Regulations, drivers are required to advise the Company if they are involved in any form of commercial driving outside of their work for the Company.
 - (2) Add statement expressing the following:

Drivers are, specifically, required to refuse any work assignments from Stock, if doing otherwise would result in the driver exceeding his/her hours of service limits.
 - (3) Specific information on the permitted hours in Nova Scotia;
 - (4) Include copies of both driver's logs [Exhibit 7 & 8];
 - (5) Explain when each log may be used; and
 - (6) Explain how to complete each log.
15. Serious Misconduct to include a statement to the effect of:
- Failure to document and disclose all hours of service in relation to commercial driving, including service for providers other than Stock.
16. Employee Hotline Policy rewritten to specifically address an employee's ability to contact it, if an employee has been asked by her/his superior to act contrary to any law, Stock's Licenses, *Rules*, *Regulations*, and/or Order.

17. Due Process section to be re-written and provide a better dispute resolution process that is effective for spare drivers, specifically, addressing the concerns before the Board in these proceedings, including when it is one's superior who is giving the directive to operate contrary to the law.

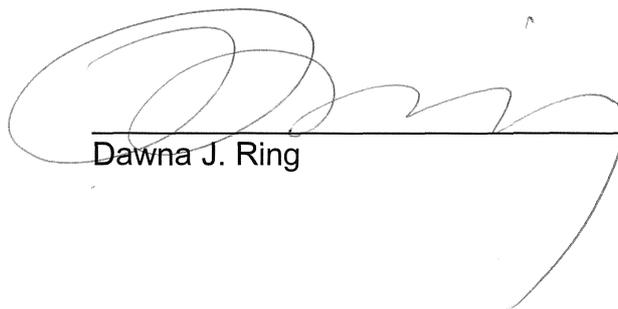
MCD Oversight of Extended Trips

18. This provision only applies to Stock's Dartmouth CSC. For all trips where a driver may be at risk of exceeding her/his hours, Stock is to provide documentation to the MCD explaining how it addressed that trip. The documentation need not be provided before the trip, as this is not for approval, but rather oversight. The documentation is to be provided within one week of the trip being completed. If the MCD has concerns, these should be addressed with Stock, immediately, and at its monthly meeting. If there are any serious concerns, these should be reported to the Board. Within one year, the MCD is to advise the Board whether it is satisfied these are being done properly or provide recommendations.

[399] As each of the above is completed Stock shall notify the Board and file all relevant materials and copied to counsel for the School Boards.

[400] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 22nd day of March, 2018.



Dawna J. Ring