BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of F. W. Comph, Agent, Pacific Freight Tariff Bureau, for authority to cancel item in Exception Sheet governing the transportation of tin cans.

MUSUNAL

Application No.1602.

George D. Squires, for Southern Pacific Company, E. W. Camp, for the Atchison, Topeka & Santa Fe Railway.

Allan P. Matthew, for Western Pacific Railway, Seth Mann, for the San Francisco Chamber of Commerce.

F. M. Hill, for Fresno Traffic Association, W. D. Wall, for Traffic Bureau of San Jose Chamber of Commerce, and Pratt-Lowe Preserving Company, Modesto,

F. P. Gregson, for Associated Jobbers of Los

Angeles, J. G. Melvin, for California Fruit Canners Assn.,

A. S. Halsted, for San Pedro, Los Angeles and Salt Lake Railroad Company.

LOVELAND, Commissioner.

### <u>opinio</u>.

This is an application filed by F. W. Gomph, in the name and on behalf of all carriers parties to Pacific Freight Tariff Bureau Exception Sheet No.1-C, CRC No.70, for authority under Section 65 of the Public Utilities Act to cancel Item 27 of this Exception Sheet, thereby allowing straight Western Classification to apply except where lower commodity rates are proposed between certain specified points.

Since the filing of this application Exception Sheet No.1-C has been superseded, the present issue being No. 1-E, CRC No.132. The item corresponding to No.27 of Exception Sheet No.1-C is Item 110 of Exception Sheet No.1-E, which reads as follows:

### Cans, Tin, Carloads: Subject to the Following Minimum Weights:

Clas	s C	
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	Capac	ity
	Less than	
	Lbs.	Lbs.
Cars of 28 ft. or less in length, inside dimensions*	10,000	8,500
Cars over 28 ft. but not over 34 ft. in length, inside dimensions*	13,500	11,000
Cars over 34 ft. but not over 40 ft. in length, inside dimensions *	15,500	11,500
Cars over 40 ft. but not over 45 ft. in Length, inside dimensions*	20,000	12,250
Cars over 45 ft. but not over 50 ft. in length, inside dimensions	24,000	13,000

\*Fractions of an inch will be disregarded.

Minimum charge \$5.00 per car, except when class rate governed by the current Western Classification makes less, in which case the current Western Classification governs.

When cans of capacity less than 5 gallons are forwarded in mixed carloads with cans of greater capacity, the minimum carload weight provided for cans of less than 5 gallon capacity will apply on the entire shipment unless actual weight is greater.

Cancelation of this item in Exception Sheet will have the effect of placing tin cans under the Western Classification rating of Fourth Class, minimum weight 14,000 lbs., subject to Rule 6-B, which reads:

"Section 1 - Minimum weights provided in this classlification willapply on all sizes of cars, except that premium and deduction charges will be applied to light and bulky articles designated by note, as 'subject to Rule 6-B', whether loaded in box cars or on open cars.

Section 2 - Upon such light and bulky articles, the standard car will be 36 feet in length, inside measurement, 3% per foot to be added for each foot in excess of 36 feet, and 3% per foot to be deducted for each foot less than 36 feet, with a minimum of 91%, all percentages to be based on inside dimensions. In applying premium and deduction charges, fractions of a foot, six inches or less, to be disregarded.

For the purpose of comparison there is set forth in the following statement the present and proposed minimum weights for the various sized cars. As the cans are invariably loaded in cars of 35 feet or over in length it is unnecessary to show cars of less length.

												PROPOSED MI	NIMUM	Cs	ONT MINIMUM pacity
			Lei	agt]	n 0:	f (	lar					Weight.	Less	s ther	5 gallons
												Lbs.	Li	os.	Lbs.
Over	35 36 37 38	Lt n n	66666	11 17	to 11 11	& 11 11	incl	-56 37 38 39	ft	6666	in.	14.000 14.420 14.840 15,260	15,	500	11,500
זו	39	π	6	17	17	Ħ	rŧ	40	τf	6	tī	15,680	*15,5 ***20,0	500 000	*11,500 **12,250
77 17 18 77	40 41 42 43	17 17 77 17	6666	11 11 17	11 11 11 11	18 18 18 18	ក ក ក ក	41 42 43 44	17 17 11 11	0000	11 27 11	16.100 16,520 16.940 17,360	20,0	000	12,250
11 11	44 45	TT	ô 6	17	זז זז	11 11	17	45 46	17	6 6	17	17,780 18,200	#20,0 ##24,0		#12,250 ##13,000
17 17 17	46 47 48	17 17	6666	17 17 77	11 11 11	17 17 17	ττ 11 11	47 48 49	17 11 11	6 6 6	त स त	18,620 19,040 19,460	24,0	000	13,000
π	49	<b>!</b>	ĝ	Ħ	ττ	11	ij	50	II	6	Ĭŧ	19,880	###24.0	000	###15,000
			<b>بد</b> اد بند	om²	and	1 1	nclud	ding	z 4(	) ;	Et.	##0ver 45	ft.		

\*To and including 40 ft. ##Over 45 ft. \*\*\*Over 40 ft. ###To and including 50 ft.

This case is an outgrowth of Application No. 291. Decision No. 642, Opinions and Orders of the Railroad Commission of California. Volumne 2. Page 848, decided May 6,1913, when carriers' petition to cancel Class C rating on cans, thereby causing 4th Class to apply, was denied on the ground that in some cases 4th Class rates were unreasonable. I quote from the decision as follows:

"Unquestionably in many instances the carriers receive an inadequate revenue for the transportation of cans, particularly to nearby points or to points where the class rates have been borne down by water competition. For instance, we find many cars moving to Stockton for approximately \$9.00 per car; to Cleum \$5.00 per car; to Sunnyvale, Santa Clara and San Jose for \$7.75 per car; to Richmond for \$5.00 per car; to

Sacramento for \$12.65 per car. The rates to a number of other points might be mentioned but we believe the above sufficiently illustrates our point: and we further believe that no fair-minded man will contend that all of the rates we have mentioned yield the carriers a fair return for the service they perform. At the same time we notice movements to other points where the revenue accruing to the carriers under the present rates appears to be adequate. For example, we note a large number of cars moved from San Francisco to Gonwales, a distance of 135 miles, at a rate of \$4.60 per ton; the average revenue per car being slightly over \$50. We believe in this case the revenue per ton per car mile is, to say the least, adequate, and the carriers have not justified any increase in this instance.

It is apparent that the application with reference to tin cans cannot be disposed of by the application of any particular classification rating. In some instances we are frank to concede the revenue derived from the present classification rating is too low and in some cases it would appear to be the reverse; and while we will deny the application of the carriers to publish changes in line with their application we will entertain an application to publish specific commodity rates and will invite all interested shippers to participate in a discussion, which we hope will tend to the establishment of just and reasonable rates on shipments of cans which we feel is not possible by the application of any general provision of the classification."

The application now before the Commission proposes commodity rates to certain destinations in addition to the change in
classification, and for the purpose of ready information the present,
the proposed and the 4th Class rates are set forth below:

From San Francisco	In C	lbs.	
To	Present	Proposed	Fourth Class
Armona	20	30	39
Exeter	21	<b>3</b> 0	42
Fresno	18	25	34
Hanford	20	30	39
Selma	18	30	35
Visal ia	20	30	40
Gonzales	23	23	<u>3</u> 0
Monterey	20	20	26

From Los Angeles	•	In Cents per	100 lbs.
To	Present	Proposed	Fourth Class
Fresno	22	36	4.6
Lingsburg	22		46 45
Forterville		36	45
· · · · · · · · · · · · · · · · · ·	21	35	44
Tulare	21	35	44
Terra Bella	20	35	43
Bakorsfield	19	<b>35</b>	39
Colton )	,	•	•
Riverside )	12	17% .	21
. Bloomington)		4.2	<b>₩</b> ±
Moor Park	15	17	20
Somis	15	19	
Lancester			20
	13 ·	21	27
Brawley	27	40	57
Calexico	29	40	59
Hemit	19	25	32
Wildomer	18	25	32

Applicants in substantiation of their petition urge that the rating of Class C on tin cans is out of line and is therefore discriminatory as compared with other traffic. Numerous exhibits were introduced in support of the contention that the revenue paid on tin cans is not in proportion with that paid on other traffic and that it is not properly balanced with that traffic.

Protestants contend that the tin containers possess no value except for the purpose of filling, and are analogous to empty cooperage, empty boxes, shooks, etc., but this statement is not supported by the facts developed at the hearing. Witness for Southern Pacific Company testified that in the transportation of this commodity extreme care must be used in the selection of cars and after suitable equipment, in the judgment of the yard crew, is placed at an extra switching expense due to the careful selection of equipment that will meet the requirements of this traffic, it frequently happens that cars are rejected by shipper. This occasions still another switch by removing the unsatisfactory car and placing one that is acceptable, which condition is not manifested to such an extent in the more ordinary freight. Furthermore, that after loading, cars are usually given a preferred movement equivalent to the expedited service accorded perishable freight. It is also contended by protestants that carriers derive a subsequent haul on the filled cans, that the rates have been in effect for a great number of years, business having

developed under them, and if proposed increases are made it will place the California cannories at a corresponding disadvantage with competitors located in other states.

It was developed at the hearing that Class C for the transportation of cans, carloads, was established by carriers to foster the canning industry of this state in its early stages and this classification has been in effect continuously since its establishment some time prior to 1896.

It is appropriate at this time to direct attention to the testimony of witness for applicants showing that the class rates have been generally reduced throughout California since this class-ification was placed in effect, thereby lowering not only the tin can rates but also those on fruits, vegetables, sugar and supplies into the canneries and on canned goods outbound, and that an additional saving to the shipper was brought about by the general climination of switching charges within the State. It was shown that the rate on canned goods from California to Eastern transcontinental points has been materially reduced by reason of canal competition, also that carriers have lost a great amount of the tonnage to water carriers.

The fact that this Class C rating and the minimum weights have been in effect for more than twenty years is a point which must be given careful consideration but the mere incident of the long existence of a rate is not conclusive proof of its reasonableness. If such a deduction were positively controlling no rates whether proven to be either excessively high or excessively low could ever be changed after they had served for a long term of years.

There is very little transportation of cans with capacity of five gallons or more within this state. The principal movement consists of what is known to the trade as the No.2% can, generally used for fruit and vegetables, this particular style comprehending approximately 80% of the total movement, the balance being divided between No.3 cans (similar character but a trifle larger than a No.2%

can) and those of a miscellaneous nature. No objection is offered to the proposed increase in minimum weight which is nominal on cans of less than 5 gallon capacity principally used in this traffic when the cans are, as is customary, loaded in 40 ft. cars. The only contest is with respect to advance in rates.

Protestants called attention to provision in Official Classification rating cans in carloads at 4th Classwhich corresponds to Class B in Western Classification, but this comparison will not be of great assistance in deciding the dispute for the conditions in the territories are widely different. The Interstate Commerce Commission has expressed itself on this subject as follows:

"A mere showing of the fact that the rating in one classification territory is different from the rating on the same article in another territory does not establish that either of the ratings are unreasonable or unduly prejudicial." Dixie Mfg.Co. vs. B.C. & A. Ry.Co., 51 ICC 337, 340.

"Differences in industrial and traffic conditions in official and in western classification territories are such that rates in the territory west of the Mississippi River may reasonably be made higher than in the more densely populated East." Milburn Wagon Co., vs. A.A. R.R. Co., 32 ICC 582, 587.

The following tables compiled largely from exhibits filed by the Southern Pacific Company show a comparison of the earnings per 40-foot car on tin cans under the present and proposed rates with the average earnings on other commodities for approximately similar distances within the state and include most of the points where cans move in volume.

MILES FR				RATE IN PE 100		TS EARNINGS PER 40 FOOT CAR			
		FROM	TO	Present	Proposed:	Present Based Minimu	:Proposed mBased Minimum :15680 Pounds		
6	San	Francisco	Oakland	3	*2½	<b>\$5.</b> 00	\$7.50 \		
8	San	Jose	Sunnyvale	4	5	6.20	7.84		
9	San	Francisco	W.Berkeley	3	*23	5.00	7.50		
11	Los	Angeles	Pasadena	5	5	7.75	7.84		
11	San	Jose	Los Gatos	4	5	6.20	7.84		
14	Los	Angeles	Lankershim	.5	7支.	7.75	11.76		
17	San	Francisco	Lorenzo	4	<b>6</b> ,	6.20	9.41		
20	San	Francisco	Hayward	5	6	7.75	,9.41		
21	Los	Angeles	Wilmington	4	8	6.20	12.54		
25	Los	Angeles	San Pedro	4	8	6.20	12.54		
		·	*Commodity	rate mini	mam \$ 7.50	per car.			

AVERAGE	EARNINGS	$^{-}$ O $_{M}$	OTHER	COMMODITIES	HAULED 3	l TO	25 MILES	

COMMODITY	AVERAGE DISTANCE HAULED	AVERAGE WEIGHT PER CAR	AVERAGE REVENUE PER CAR
Lumber and Forest Products	Miles 21	Tons 29	\$11.69
Feed and Mill Stuffs	14	14	14.29
Asphaltum	14	27	15.03
Flour	12	21	15.81
Coal	18	27	17.79
Brick	13	36	17.87
Dried Fruit	14	22	19.23
Cement	10	35	22.11

## DISTANCES 26 TO 50 MILES

MILES		: 2:	IN CENTS : ER POUNDS :	EARNING: 40 F CA	TOC	,	
	FROM		: Present	:Proposed:			
		TO			Based Min: 15500 Lbs:		
27	San Jose	Esywerd	5	6	\$7.75	\$9.41	
39	Sen Francisco	Sunnyvale	5	6	7.75	9.41	
49	San Francisco	Suisun	72	9	11.63.	14.11	

CONTRACT.	SOMINGER	ON	حاشيتين الم	COMMODITIES	पाद्रागा म	26	$\Box$	50	PATTAG
		C14	بالد تنفذه بدل			~~		$\sim$	

COMMODITIES	AVERAGE DISTANCE HAULED Miles	AVERAGE WEIGHT PER CAR Tons	AVERAGE REVENUE PER CAR
Lumber and Forest Products	37	28	\$16 <b>-</b> 53
Feed and Mill Stuffs	37	24	17.97
Asphaltum	30	34	22.67
Flour	41	19	23.58
Brick	38	42	22.85
Coal	35	30	25.20
Dried Fruit	42	21	25.70
Coment	36	36	45.85

MILES	ES			P	in cents er	EARNINGS PER 40 FOOT CAR			
		FROM	TO	Present	LBS. Proposed: by: Carriers:	Present Based Min. 15500 Ibs.	Proposed Based Min. 15680 Lbs.		
51	San	Francisco	Campbell	8	9	\$12.40	\$14.11		
<b>5</b> %	San	Jose	Watsonville	11	15	17.05	23.52		
53	Los	Angeles	Bloomington	12	172	18.60	27.44		
53	Los	Angeles	Somis	15	19	23.25	29.79		
57	Los	Angeles	Colton	12	172	18.60	27.44		
76	Los	Angeles	Lancaster	13	21	20.38	32.93		
77	San	Francisco	Seabright	16	20	24.80	31.36		
79	San	Jose	Stockton	83	12	13.56	18.82		
85	San	Francisco	Manteca	83	13	13.56	20.38		
85	San	Jose	Gonzales	18	23	28.22	36.06		
86	Los	Angeles	Banning	14	25	21.70	39.20		
89	San	Francisco	Sacramento	11	16	17.05	25.09		
91	San	Francisco	Stockton	52	9	8.91	14.11		
94	San	Francisco	Watsonville	15	19	23.25	29.79		

AVERAGE EARNINGS	ON	OTHER COMMODITIES	HAULED 51	TO 100 MILES
COLLIODITY		AVERAGE DISTANCE HAULED	AVERAGE WEIGHT PER CAR	AVERAGE REVENUE PER CAR
		Miles	Tons	
Feed Mill Stuffs		74	19	\$26.81
Coal		73	29	33.23
Flour		72	21	33.34
Brick		75	31	34.11
Asphaltum		66	31	41.00
Lumber and Forest Products		77	25	44.85
Dried Fruit		75	22	48.24
Cement		66	41	52.80

## DISTANCE 101 TO 150 MILES

MILEX			: 100	PER POUNDS	EARNINGS 40 FC CAI	TOOT
	FROM		Presen	t:Proposed:	Present	: Proposed
		<u> To</u>		: by : :Carriers:	Based Min. 15500 Lbs.	: Based Min. : 15680 Lbs.
102 5	San Francisco	Modesto	10	14	\$15.50	\$21.95
115 \$	San Francisco	Turlock	11	19	17.05	29.79
117 5	San Francisco	Lincoln	12	18	18.60	28.22
120 5	San Francisco	Yuba City	13	20	20.15	31.36
124 5	San Francisco	Marysville	13	. 20	20.15	31.36
125	San Jose	Sacramento	11	16	17.05	25.09
150 8	San Jose	Lincoln	12	18	18.60	28.22
150	San Francisco	Oroville	15	25	23.25	39.20

AVERAGE	EARNINGS	CN	other	COMMODITIES	HAULED	101	TO	150	MILES

AVERAGE DISTANCE HAULED	AVERAGE WEIGHT PER CAR	AVERAGE REVENUE PER CAR		
Miles	Tons			
121	18	\$41.12		
118	27	45.60		
122	18	49.78		
126	45	56.00		
122	25 .	59.54		
119	27	60.12		
110	30	62.16		
118	23	69.24		
	DISTANCE HAULED M11es 121 118 122 126 122 119 110	DISTANCE WEIGHT HAULED PER CAR Miles Tons  121 18 118 27 122 18 126 45 122 25 119 27 110 30	DISTANCE         WEIGHT         REVENUE           HAULED         PER CAR         PER CAR           M1les         Tons           12l         18         \$41.12           118         27         45.60           122         18         49.78           126         45         56.00           122         25         59.54           119         27         60.12           110         30         62.16	

MIL	3\$			IN CENTS : PER : POUNDS :	EARNING 40 F CA	000	,
	FROM	ΦC	:Presen	t:Proposed: : by : :Carriers:	Present Based Min. 15500 Lbs.		
156	San Jose	Yuba City	13	20	\$20.15	\$31.36	
169	Los Angeles	Bakersfield	19	35	29.45	54.88	
194	Son Francis	sco Fresno	18	25	27.90	39.20	

AVERAGE	EARNINGS	ON	حتصيان	COMMODITIES	TAULTED	1.57	mO.	200 MITTE	S
		U-11	V			سلدات	- w-U		<b>.</b>

COMMODITIES	AVERAGE DISTANCE HAULED	AVERAGE WEIGHT PER CAR	AVERAGE REVENUE PUR CAR	
Feed and Mill Stuffs	170 Miles	18 tons	\$ <b>44.7</b> 8	
Asphaltum	179	24	70.87	
Brick	176	28	71.18	
Flour	176	18	72.03	
Coal	179	24	74.50	
Lumber and Forest Products	178	26	86.17	
Cement	168	33	94.40	
Dried Fruit	189	21	101.26	

# DISTANCES 201 TO 250 MILES

MILE:	S		: 3	IN CENTS : ER : POUNDS :	EARNING 40 F	
	PROM	TO		:Proposed: : by : :Carriers:	Present Based Min. 15500 Lbs.	: Proposed : Eased Min. : 15680 Lbs.
204	Los Angeles	Browley	27	40	\$41.85	\$62.72
209	San Francisco	Selma	18	30 ·	. 27.90	47.04
216	Los Angeles	Terra Bella	20	35	31.00	54.88
218	San Francisco	Armone	20	30	31.00	47.04
221	San Francisco	Hanford	20	30	31.00	47.04
224	Los Angeles	Porterville	21	35	32.55	54.88
227	los Angeles	Calexico	29	40	44.90	62.72
232	Los Angeles	Tulare	21	35	32.55	54.88
235	Sen Francisco	Viselia	20	30	31.00	47.04
239	San Francisco	Tulare	21	40	32.55	62.72
242	Los Angeles	Exeter	22	36	34.10	56.45
246	San Francisco	Exeter	्धा	30	32.55	47.04
250	Los Angeles	Visalia	22	<b>3</b> 6	34.10	56.45

AVERAGE EARNINGS ON	OTHER COLMODIT	LIES HAULED 20	Ol TO 250 MILES	
COMMODITIES	AVERAGE DISTANCE HAUEED	AVERAGE WEIGHT PER CAR	AVERAGE REVENUE PER CAR	
	Miles	Tons		
Feed and Mill Stuffs	223	17	\$ 56 <b>.33</b>	X +
Flour	221	18	85.63	
Brick	230	27	84.98	
Coal	222	24	88.11	
Coment	213	39	105.71	
Dried Fruits	216	22	111.54	
Lumber and Forest Products	226	24	115.05	
Asphaltum	239	35	140.38	

# DISTANCES 251 TO 300 MILES

MILE	S				IN CENTS : ER POUNDS	EARNINGS 40 FC CAL	200
		FROM	TO	Present:	:Proposed: by : :Carriers:	Present Based Min. 15500 Lbs.	: Proposed : Based Min. : 15680 Lbs.
255	Los	Angeles	Hanford	22	36	\$34.10	\$56 <b>.</b> 45
256	Los	Angeles	Kingsburg	22	36	34.10	56.45
261	Los	Angeles	Selma	22	36	34.10	56.45
263	San	Francisco	Porterville	22	44	34.10	68.99
271	San	Francisco	Torra Bolla	22	44	34.10	68.99
276	Los	Angeles	Fresno	22	<b>3</b> 6 <sub>.</sub>	34.10	56.45

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COMMODITIES	AVERAGE DISTANCE HAULED	AVERAGE WEIGHT PER CAR	AVERACE REVENUE PER CAR	
	Miles	Tons	,	
Feed and Mill Stuffs	278	. l8	\$70.98	•
Aspheltum	275	30	75.60	•
Brick	278	25	85.45	
Flour	267	17	92.81	
Coal	265	23	94.66	
Dried Fruit	277	18	102.58	
Lumber and Forest Products	275	24	111.50	
Cement	270	36	126.49	

It should not be presumed that this Commission considers the tin can rates fully comparable with those for commodities shown in preceding tables. Difference in loading and dissimilarity in transportation conditions render such a comparison inconclusive for rate making purposes. This information is of value, however, in showing the return to carriers for the use of their equipment, in other words, the revenue per car, and in this respect the preceding tables are particularly significant for they show, with few exceptions, that the rates proposed for tin cans yield a much lower revenue per car than is received on the selected commodities with which comparisons are made. It was pointed out by applicant's witness that these are all commodities of much less value than cans, that they move in great volume and are of heavy loading qualities.

The revenue per car represents the average revenue of all carload shipments for the year ending June 30, 1914, and embraces all conditions of movement including freight shipped under low water compelled rates.

Exhibit No.4 of the Western Pacific Railway shows the comparative value of certain representative commodities, among them the No.2½ tin can, which is shown at \$24.00 per thousand. On basis of 303 pounds per thousand cans this is equivalent to \$158.40 per ton as compared with \$78.00 per ton for flour, the highest valued article in the selected list of commodities. It was developed by protestants, however, that \$20.75 per thousand is the present selling price of this size can, and which on the same weight basis is approximately \$137.00 per ton. Even at the figures given by protestants the tin cans are shown to represent a very high value per ton.

An exhibit was introduced by applicants giving certain allocated costs for handling this traffic and the revenue per car which remained after deducting such allocated costs.

By this exhibit it was shown that for the heul from Sen Francisco to Fresno, a distance of 194 miles, after deducting such definitely located costs as taxes, initial, intermediate and destination switching, and per diem on cars, the amount of revenue remaining was only \$11.57 per car, also from San Francisco to Marysville and Hanford, the revenue remaining at Marysville being \$7.62,- length of haul 124 miles; at Hanford, \$21.72, - a distance of 221 miles. Those figures are subject to still further reduction as represented by expense for line movement and other costs impossible to definitely allocato. The earnings are likewise extremely low on traffic from San Prancisco to West Berkeley, Sunnyvale, Stockton and Secremento; from San Jose to Sunnyvale, Los Gatos and Haywards; from Los Angelos to Pasadena, Lankershim, Wilmington and San Pedro. It is particularly noticeable that the present earnings of \$5.00 per car from San Francisco to Oakland failed to cover the cost of service. It was also shown by exhibit that after deducting certain allocated costs the earnings under present rate from San Francisco to Lorenzo resulted in a deficit of \$2.52 per car.

While it is apparent that carriers are entitled to some relief in the present situation there are instances, however, in which the rates proposed would in my opinion create an unjustifiable advance. For example, - Los Angeles to Bakersfield, present rate 19 cents, proposed 35 cents; San Francisco to Porterville and Terra Sella, present rate 22 cents, proposed 44 cents, representing in the latter instance an increase of 100% which considering the volume of the present rate and the comparison of car earnings is excessive.

The following advances from Los Angeles are likewise too severe and have not been justified by the testimony.

From Los Angeles to	Milos	Present Rate	Proposed Rate
Bloomington	53	12	172
Colton	57	12	175
Lancaster	76	13	21 ·
Banning	86	14	25

There are other instances where proposed rates are too high but the examples shown are sufficiently typical to illustrate the situation.

From the testimony presented at the different hearings and from the investigations made by this Commission it is my opinion that the present rates generally are unreasonably low, and the change in the classification of tin cans from Class C to 4th Class should be authorized. Concurrently with such change the following commodity rates on tin cans, which are found to be just and reasonable, should be published subject to minimum carload weight as per Western Classification:

	From	To	Rate per 100 Pounds
San	Francisco	(Monterey (Gonzeles	20 23
	Trencisco-	(Oroville (Fresno (Selma (Armona (Hanford (Visalia (Exeter (Kingsburg (Tulare (Porterville (Terra Bella (Bakersfield	19 23 25 25 25 26 24 26 27 29

(Lancaster (Moorpark (Somis (Bloomington (Colton (Riverside (Banning (Brawley (Calexico (Wildomar (Hemet (Bakersfield (Terra Bella (Tulare (Kingsburg (Selma (Porterville (Exeter (Visalia (Fresno (Hanford	16 19 15 15 18 13 18 18 18 18 18 18 18 18 18 18 18 18 18
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In granting this application in part I am not unmindful of the fact that material increases will result therefrom at certain points, but as stated in the decision in Application No.291 supra and as further developed at the hearings in this case, it has been clearly demonstrated that the charges collected for the transportation of tin case are inadequate, in some instances providing little more than allocated costs, and in others exen less than the allocated costs thus proving them non-compensatory, therefore a burden upon other traffic which it is the duty of this Commission to remove.

I submit the following form of order:

#### ORDER

F. W. Gomph, Agent, Pacific Freight Tariff Bureau, in the name of and on bohalf of certain carriers, having filed application for authority to increase certain rates and minimum weights on tin cans, and a public hearing having been held and the Commission being fully apprised in the premises:

IT IS HEREBY ORDERED that the application be and the same is hereby granted increasing the classification of tin cans from Class C to 4th class, and denied as to the proposed commodity rates, and that the carriers parties to this application, in so far as they participate in the transportation, shall publish and make effective concurrently with the change in classification the following commodity rates which are found to be just and reasonable:

From	To	Rate per 100 Pounds
San Francisco	(Monterey (Gonzales	20 23
San Francisco San Jose	(Oroville (Fresno (Selma (Armona (Hanford (Visalia (Exeter (Kingsburg (Tulare (Porterville (Terra Bella (Bakersfield	19 23 25 25 25 26 26 27 29 29
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The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this /at day of

1916.

Commissioners.