

ORIGINAL

Decision No. 130749

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment )  
of maximum or minimum, or maximum )  
and minimum rates, rules and regu- )  
lations for the transportation of )  
property, for compensation or )  
hire, over the public highways, by )  
all Radial Highway Common Carriers )  
and Highway Contract Carriers be- )  
tween, and by all City Carriers )  
within the cities of Oakland, )  
Emeryville, and Piedmont, in the )  
County of Alameda. )

Case No. 4108

In the Matter of the Investigation )  
and Establishment of rates, charges, )  
classifications, rules, regula- )  
tions, contracts and practices, or )  
any thereof, of East Bay Drayage & )  
Warehouse Co., Haslett Warehouse )  
Company, Inter-Urban Express Cor- )  
poration, Kellogg's Express and )  
Drayage Co., Merchants Express Cor- )  
poration, Peoples Express, Special )  
Delivery Service Co., United Par- )  
cel Service, United Transfer Com- )  
pany, and West Berkeley Express & )  
Drayage Company, operating as )  
Highway Common Carriers, for trans- )  
portation of property, for com- )  
pensation, over the public highways )  
of the State of California, between )  
the Cities of Oakland, Albany, )  
Alameda, Berkeley, Emeryville and )  
Piedmont, in the County of Alameda, )  
and for accessorial services inci- )  
dent to such transportation. )

Case No. 4109

BY THE COMMISSION:

Additional Appearances

Eugene A. Reed, for Oakland Chamber of Commerce.  
Glen C. Holtwick, for Merchants Express Corporation.

SUPPLEMENTAL OPINION AND ORDER

Minimum rates, rules and regulations for transportation of  
property within the East Bay drayage area by for-hire carriers have

been established by Decision No. 29217 of October 26, 1936, as amended, in these proceedings. Draymen's Association of Alameda County proposes that they be modified by increasing (1) the charge for accessorial services and (2) the rate for transportation of truck gear frame side members, cross bars and brackets from steamship docks to automobile plants. Evidence relative to these proposals was received at a public hearing held at San Francisco before Examiner Mulgrew. Establishment of the proposed increases was not opposed.

The rates heretofore established include pickup and delivery at sidewalk, platform, truckside, or inside shipper's or consignee's door at street level not more than 20 feet from the curb or vehicle. Other pickup and delivery services are subject to an additional charge of \$1.25 per man per hour. A like charge is provided also for stacking, sorting and other accessorial services and for additional labor required for articles or packages which because of their weight or bulk cannot be handled by one man. Each of these charges is proposed to be increased to \$1.50 per man per hour.

According to witnesses for the Association most of the services to which the charges in question apply are rendered by men described as "helpers." The compensation paid these men has been increased substantially since the present rates were established.<sup>1</sup> The demand for their services is irregular and the work at one point is usually of relatively short duration. This necessitates the hiring of helpers on a broken time basis. Moreover, an ex-

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<sup>1</sup> In 1936 when the minimum rates for these services were prescribed helpers received \$6 per day, \$3.50 per half-day (8:00 A. M. to 12:00 Noon or 1:00 to 5:00 P. M.), and \$1.00 per hour for broken time. Regular helpers now receive \$7.50 per day; other helpers now receive \$7 per day, \$4 per half-day and \$1.25 per hour for broken time.

pense amounting to 8 per cent of the wages paid is incurred for workmen's compensation, social security and unemployment insurance, and helpers are paid for the time which elapses while they are travelling from, to or between the locations where the work is performed. The charges made by the carriers, on the other hand, are based upon the time involved in performing the service. The amount of nonproductive time is said to be substantial.

It is apparent that in operations involving the employment of helpers on a broken time basis the present minimum charges do not return the carriers' out-of-pocket expense for labor. When allowance is made for nonproductive time paid for by the carriers the expense of rendering the service is in many cases substantially higher than the revenue which is produced by the minimum charge. The proposed rates appear to be no higher than necessary to permit compensatory operations. The recommended increases will be prescribed.

A rate of  $7\frac{1}{2}$  cents per 100 pounds is applicable to shipments of automobile gear frame side members, cross bars and brackets transported from water carriers' docks, wharves or piers to automobile plants situated in Zone 1. The Association proposes that this rate be restricted to passenger car parts and that a rate of  $11\frac{1}{2}$  cents per 100 pounds be established for truck parts.

The truck parts moving under this rate are said to be bulkier than passenger car parts, to be transported two miles farther, and, due to delays encountered at the shipper's truck assembly plant, to involve more nonproductive time of both men and equipment. In an estimate prepared by a consulting engineer and submitted in support of the proposed rate the cost of transporting the truck parts is shown as \$2.02 per ton. The engineer said, however, that he had calculated the expense of employing helpers engaged to load

these parts at the daily wage rates and that because of the considerable amount of broken time involved in the loading operations his estimate of costs is somewhat low.

It is represented that the traffic involved is handled by one carrier for one shipper, and that the shipper is agreeable to the proposed increase.

From the foregoing it is evident that the present rate for the transportation of this property is substantially lower than cost in so far as the truck parts are concerned, and that the proposed rate gives reasonable recognition to conditions peculiar to that transportation and the costs incurred in rendering it. The proposed rate will be established.

Drayage rates heretofore established in these proceedings are not applicable to the transportation of asphaltic concrete, building materials, decomposed granite, excavated material, gravel, road building material, rock, sand and stabilizing materials in dump trucks, nor to the transportation of used household goods, furniture, personal effects, musical instruments, radios, office and store fixtures and equipment. That traffic was exempted because at the time Decision No. 29217, supra, was entered minimum rates therefor had been established in other proceedings.<sup>2</sup> Subsequently, however, further inquiry in those proceedings disclosed that certain dump truck and household goods transportation services did not require special rate treatment and rates for that transportation were accordingly excluded from the minima theretofore prescribed.<sup>3</sup> As a

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Decision No. 28625 (39 C.R.C. 617), as amended, had prescribed dump truck rates and Decision No. 28610 (40 C.R.C. 12) household goods rates.

<sup>3</sup>

The changes in the dump truck rates were made by Decision No. 32566 (42 C.R.C. 272), as amended, those in the household goods rates by Decision No. 32325 (42 C.R.C. 119), as amended.

result traffic so excluded is no longer subject to minimum rates. Under the circumstances, the dump truck and household goods exemptions from the East Bay drayage rates will be amended to correspond with the operations for which rates are currently in effect by virtue of outstanding orders relating to dump truck and household goods transportation.

Therefore, good cause appearing,

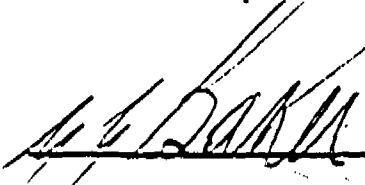
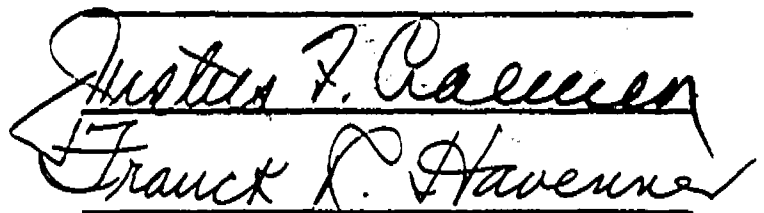
IT IS HEREBY ORDERED that Appendix "A" of Decision No. 29217 of October 26, 1936, as amended, in the above entitled proceedings, be and it is hereby further amended, effective October 1, 1941, to the extent shown in Appendix "A" attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that the tariff publications required to be made by common carriers respondents in Case No. 4109 as a result of the amendment herein of the aforesaid Appendix "A" of Decision No. 29217, shall be made effective on October 1, 1941, on not less than three (3) days' notice to the Commission and to the public.

IT IS HEREBY FURTHER ORDERED that in all other respects said Decision No. 29217, as amended, shall remain in full force and effect.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 26<sup>th</sup> day of August, 1941.

  
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Commissioners

APPENDIX "A"

Rates, ratings, accessorial charges, rules and regulations provided in Appendix "A" of Decision No. 29217, as amended, are hereby further amended as follows:

Page 1 - Application of Appendix

Substitute for entries (a) and (b) of Note 1 the following:

- (a) Used property, viz.: household goods, office and store fixtures and equipment, as described in and for which rates are provided in City Carriers' Tariff No. 3 - Highway Carriers' Tariff No. 4 (Appendix "A" of Decision No. 32629 of December 7, 1939, or as amended in Cases Nos. 4246 and 4434), and used property as described therein transported for the United States, state, county or municipal governments;
- (b) Commodities as described in and for which rates are provided in City Carriers' Tariff No. 6 - Highway Carriers' Tariff No. 7 (Appendix "A" of Decision No. 32566 of November 14, 1939, or as amended in Cases Nos. 4246 and 4434) when said commodities are transported in dump trucks.

Page 1 - Application of Rates

Change the rate of \$1.25 per man per hour appearing in paragraph (b) to \$1.50 per man per hour.

Page 7 - Heavy or Bulky Shipments

Substitute the following:

Additional labor required for the handling of articles or packages which because of their weight or bulk cannot be handled by one man shall be charged for at the rate of \$1.50 per man per hour, minimum charge \$1.25.

Page 13 - Item Naming Rates on Automobile  
Gear Frame, Side Members, Cross  
Bars and Brackets

Substitute the following:

Automobile gear frame side members, cross	(1)	5
bars and brackets	(2)	(3) 7½
	(2)	(4) 11½

- (1) Applies only between automobile plants in Zone 1 and does not include loading or unloading.
- (2) Applies only from water carriers' docks, wharves or piers to automobile plants in Zone 1 and does not include unloading.
- (3) Applies only on passenger automobile parts.
- (4) Applies only on truck automobile parts.

(END OF APPENDIX)