

Decision No. 36752

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of )  
rates, rules, classifications and regu- )  
lations for the transportation of prop- )  
erty, exclusive of property transported ) Case No. 4084  
in dump trucks, for compensation or hire, )  
over the public highways of the City and )  
County of San Francisco. )

BY THE COMMISSION:

Additional Appearance

Frank E. Sloss, for Chester Bowles, Price  
Administrator, and for the Office of Price Administration

ORIGINAL

SUPPLEMENTAL OPINION

Draymen's Association of San Francisco proposes that minimum rates heretofore prescribed in this proceeding be revised by establishing additional charges for the accessorial service of unloading freight from railroad box cars. The proposal involves substantial increases which have not been justified. They will be denied.

Petitioner points out that, under the existing minimum rates, charges for service which includes the unloading of railroad box cars are the same as those for service which does not include such unloading but which is otherwise similar. It contends that the cost of the former service exceeds the cost of the latter and that the established minimum rates should be revised by increasing the rates for the more costly service by amounts reflecting the additional expense. In support of these contentions, it relies chiefly, if not entirely, upon studies which purport to show that

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The minimum drayage rates now in effect are those prescribed by Decision No. 28632 (39 C.R.C. 636), as amended. They include pickup and delivery service within 20 feet from the drayman's equipment. Additional charges are provided when, in order to effect pickup or delivery, service not conforming with this limitation is performed. On intrazone traffic, the Association's proposed additional charges for car unloading would amount to an increase of approximately 20% on 4th class freight and to somewhat greater percentage increases on 1st, 2nd and 3rd class freight. On interzone traffic, the percentage increases while not so great would, nevertheless, be substantial.

the differences in the costs of the two types of pickup service involved average not less than 3.18, 2.51, 2.27 and 1.36 cents per 100 pounds on property classified as 1st, 2nd, 3rd and 4th class, respectively. These studies reflect only differences in wage payments made to helpers. What greater differences in aggregate costs may exist is not disclosed. Petitioner submitted neither costs, revenues nor other evidence concerning the drayage services involved in their entirety. Moreover, no information of evidentiary value was offered with respect to the financial condition of the draymen.<sup>2</sup>

It has not been shown that the existing rates are unreasonably low for the drayage operations here in issue or that the draymen require the increased revenues which would be derived from the proposed higher rates.<sup>3</sup> At most, petitioner's showing casts some doubt upon the propriety of maintaining the existing rate parity for operations involving the indicated differences in costs for pickup service. Whether cost differences such as those which assertedly prevail in the two types of pickup service should

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<sup>2</sup> One of petitioner's witnesses claimed that his drayage firm had been losing money since August, 1942, but did not submit data in support of this claim; the others made no representations with respect to the financial condition of their organizations.

<sup>3</sup> A proposal similar to that here made was denied without prejudice to the conclusions which might be reached on a more comprehensive record in Decision No. 35871 of October 20, 1942. In that decision we pointed out, as we have done here, that the record failed to show that the established rates for the operations involved are unreasonably low. Moreover, in Decision No. 36413 of June 1, 1943, we denied the draymen's petition for a general increase of 10% because their need for that increase had not been established by the record made. In that decision we commented upon the meager showing with respect to the net results of operations and the questionable evidentiary value of that showing.

be given effect by raising the rates for operations including car unloading, as proposed by the Association, or by reducing the rates for other operations, or by making an adjustment involving an increase in the former rates and a reduction in the latter, cannot be determined from the facts of record.

O R D E R

Public hearing having been had in the above entitled proceeding before Examiner Mulgrew and the Commission having carefully considered the evidence of record,

IT IS HEREBY ORDERED that the petition of the Draymen's Association of San Francisco, filed September 10, 1943, and referred to in the opinion which precedes this order, be and it is hereby denied.

Dated at San Francisco, California, this 7<sup>th</sup> day of December, 1943.

Francis A. Hoover

Justin P. Cooney  
Richard Locke  
Francis Cooney  
Commissioners