

Decision No. 29416

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment)
of rates, rules, classifications and)
regulations for the transportation of)
property, exclusive of property)
transported in dump trucks, for com-)
pensation or hire, over the public)
highways of the City and County of)
San Francisco.)

ORIGINAL

Case No. 4084

Appearances

Russell Bevans and Edward M. Berol, for petitioner,
Draymen's Association of San Francisco,
C. O. Burgin and John B. Harman, for Office of
Price Administration,
Edson Abel, J. J. Deuel, F. P. Kensinger, and
Walter A. Rohde, for interested shippers and
shippers organizations.

SUPPLEMENTAL OPINION

Minimum rates, rules and regulations for for-hire drayage operations in San Francisco have been established by prior orders in this proceeding.¹ By petition, Draymen's Association of San Francisco seeks adjustment of the prescribed rate structure in so far as it applies to service provided on Saturdays.

A public hearing was had at San Francisco on September 5, 1946, before Examiner Mulgrew.

Wages and working conditions for drivers and helpers employed by the draymen are covered by agreements between the Association and the Brotherhood of Teamsters and Auto Truck Drivers. Under a new agreement which became effective June 29, 1946, wages for Saturday work were changed from straight to double time. This has established Monday-through-Friday as the normal work week. It has

¹ Decision No. 28632 (39 C.R.C. 636), as amended.

also placed Saturdays in the same wage category as Sundays and holidays.

The rate structure as it now stands provides for the assessment of charges for Sunday and holiday service, performed at the request of consignor or consignee, on the basic rate for the service in question plus a charge equivalent to the drayman's overtime costs. Petitioner proposes that these provisions be extended to Saturday service.

In support of the sought adjustment, the Association's secretary-manager testified that this revision was necessary to bring the rate structure into conformity with current labor costs and working conditions; that protracted negotiations had been had concerning the changed provisions of the new agreement; that the former agreement called for a regular work week exceeding the 5-day-40-hour week provided for in the Fair Labor Standards Act; and that the draymen were compelled to make the pay and work week concessions involved in order to reach an agreement with their employees.

The secretary-manager also testified that in the face of the sharp increase in labor cost for Saturday work the only alternative to offsetting increases in charges was to discontinue operations on Saturdays. He said, however, that the draymen preferred to maintain Saturday service in order to accommodate those patrons requiring that service.

Related adjustments, the witness said, are desirable and necessary in connection with freight bill and demurrage rules. He pointed out that Sundays and holidays are excluded in computing the maximum time allowed for presenting freight bills and collecting charges. It is asked that Saturdays be excluded from such computations in view of the change in the regular work week. Reference was also made to demurrage charges which are applicable on

Sundays and holidays as well as on week days. It is requested that Saturdays be grouped with Sundays and holidays in this rule so that there may be no question as to the applicability of the charge on Saturdays.

No one opposed the granting of the petition.

It has been demonstrated that the existing minimum rate structure does not reflect current operating conditions resulting from the recent establishment of a 5-day work week and does not give effect to the higher labor costs now necessarily incurred by the draymen for Saturday service. Labor expense for that service, it has been shown, is now the same as that experienced for Sunday and holiday work.

Additional charges on the basis of overtime costs for Sunday and holiday service performed upon the request of consignor or consignee have been required to be observed since the minimum rates first became effective in 1936. The sought extension of these charges to Saturday service, as well as the other adjustments proposed to bring provisions of the rate structure into conformity with the newly established regular work week, appears amply supported by the showing made.

Upon consideration of all the facts of record, we are of the opinion and find that the proposed adjustments in the minimum rate structure have been justified and that the petition should be granted.

O R D E R

Based on the evidence of record and on the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that Exhibit "A" of Decision No. 28632 of March 16, 1936, as amended, in this proceeding, be and it is hereby further amended to the extent shown in Appendix "A"

attached hereto and by this reference made a part hereof:

In all other respects Decision No. 28632, as amended; shall remain in full force and effect.

This order shall become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 17th day of September, 1946.

Harold P. Kula

Thomas Davis

Robert L. Hancock

A. J. Anderson

Commissioners

APPENDIX "A" TO DECISION NO. 28632
OF SEPTEMBER 1946 IN CASE NO. 4084

Exhibit "A" of Decision No. 28632 of March 16, 1936, as amended, in Case No. 4084, is further amended as follows:

Rule 25 - Delays in Delivery

In the second sentence insert "Saturdays," after "including" and before "Sundays".

Rule 35 - Charges for Service at Other Than Regular Working Hours.

In paragraph (a) eliminate the clause "and during the hours 8:15 a.m. to 3:00 p.m. on Saturdays,"; and in paragraph (b) insert "Saturdays," after "on" and before "Sundays".

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In paragraphs (b) and (d) substitute "(excluding Saturdays, Sundays and legal holidays)" for "(excluding Sundays and legal holidays other than Saturday half-holidays)".

Item 130 - Rates for Transportation on Monthly Truck Unit Basis.

In paragraph (f) eliminate in "Column 1" provisions, the sentence "When service on Saturday is required, Column 2 rates apply."; in Column 2 provisions substitute in the first sentence "including service on Saturdays, Sundays or Holidays, subject to the additional charges provided for by Rule 35 of this exhibit." for "exclusive of service on Sundays and Holidays."

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Appendix "A" of Decision No. 29928 of July 7, 1937, as amended, in Case No. 4084 is further amended by eliminating in Rule 4, Charges for Service at Other Than Regular Working Hours, the sentence "Working Hours on Saturdays will be 4:00 a.m. to 3:00 p.m."; and by inserting in the last sentence of that rule "Saturdays," after "on" and before "Sundays".

END OF APPENDIX