

Decision No. 77194

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
into the rates, rules, regulations,)
charges, allowances and practices)
of all household goods carriers,)
common carriers, highway carriers,)
and city carriers, relating to the)
transportation of used household)
goods and related property.)

Case No. 5330
Petition for Modification
No. 47
(Filed February 17, 1970)

Knapp, Gill, Hibbert & Stevens, by Warren Grossman,
and Charles A. Woelfel, for California Moving
& Storage Association, petitioner.
John J. Canova, for Canova Moving & Storage; Marlene
Cartwright, for Pyramid Van Lines; Sig Dombrowski,
for Global Moving & Storage; Jim Garvey, for Kozy
Moving & Storage; William F. Goines, for Bekins
Van & Storage; Robert C. Johnson, for Bekins
Moving & Storage; Thomas W. King, for Crockett's
Van & Storage, Inc.; James A. Nevil, for Nevil
Storage Company; R. L. Reeves, for Lyon Van &
Storage Company; Ralph E. Rose, for City Transfer
& Storage Company; Roeder S. Stinson, for Owen
Bros. Transfer & Storage; and Thomas R. Travers,
for Veteran Van & Storage, respondents.
Henry E. Frank and Robert W. Stich, for the Commis-
sion staff.

O P I N I O N

In this petition California Moving and Storage Associa-
tion, Inc. seeks increases in the local hourly moving rates and
accessorial charges for Territory C, as set forth in Minimum Rate
Tariff No. 4-B.^{1/}

This matter was heard and submitted before Examiner
Mallory on April 1, 1970, in San Francisco. Evidence was presented
by petitioner and the Commission staff.

1/ Territory C consists of all counties in the State, except the
following: Alameda, Contra Costa, Marin, San Francisco, San
Mateo, Santa Clara, Sonoma, Humboldt, Del Norte, Mendocino,
Fresno, Madera, Merced, Napa, Sacramento, Solano, San Joaquin,
Stanislaus and Yolo.

The local moving hourly rates for Territory C were last adjusted pursuant to Decision No. 76627, dated December 30, 1969, in Case No. 5330, Petition No. 41. Petition No. 47 alleges that Decision No. 76627 predicated the rate increases provided therein upon prevailing labor and related costs of household carriers operating within Territory C as of October 1, 1969, and that since that date, and as of April 1, 1970, there are additional increases in labor and related costs of such consequence that the minimum hourly rates and accessorial charges in Territory C will be unduly and unreasonably low. The petition requests that increases be made in said rates to restore them to a reasonable and compensatory level.

Studies measuring the percentage changes in costs from those set forth in the staff's Exhibit 41-4 in Petition No. 41 (Decision No. 76627) were presented by representatives of petitioner and the Commission staff. The percentage increases in total costs, as developed by said witnesses, are the following:

	<u>Petitioner</u>	<u>Staff</u>
<u>Vehicle with driver and helper:</u>		
2-axle truck	7.6	5.5
Tractor and semitrailer	7.2	5.1
<u>Vehicle with driver:</u>		
2-axle truck	7.3	5.1
Tractor and semitrailer	6.6	4.7
<u>Labor:</u>		
Extra helper	5.7	5.5
Packing and unpacking	9.3	6.5

The results set forth in the two exhibits differ primarily because of the different approaches used by the witnesses in developing labor costs.

Both the witness for petitioner and the staff rate witness recommended that the current hourly rates and accessorial charges for local moving in Territory C be increased by the percentage increases in costs occurring since said rates were last adjusted.

The Commission finds as follows:

1. As of April 1970, the prevailing labor costs of household goods carriers operating in Territory C, as described in Minimum Rate Tariff No. 4-B, have increased.
2. Prior decisions involving hourly rates and accessorial charges for local moving service have adopted the staff cost studies introduced in the proceedings therein as appropriate measures of the impact of increased wages and allied costs (Decisions Nos. 73386, 74676, 75995 and 76627).
3. It will be reasonable and appropriate in this proceeding to adjust the existing hourly rates and accessorial charges in Territory C by using the Wage (Cost) Offset method adopted in Decision No. 76627, supra.
4. The report of the Commission staff engineer (Exhibit 47-3) reasonably and appropriately measures the impact of the increased costs occurring since the hourly rates and accessorial charges in Territory C were last adjusted.
5. The rates suggested by the rate expert of the Commission staff set forth in Exhibit 47-3 reasonably and appropriately reflect said increases in the cost of transporting household goods and of accessorial services. Said rates result in increases amounting to 5.1 percent for unit of equipment with driver, 5.4 percent for unit of equipment with driver and helper, 5.5 percent

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for extra helpers, and 6.5 percent for labor for packing and un-
packing. Said rate increases are justified.

6. To the extent that the existing minimum hourly rates and
accessorial charges in Territory C do not reflect the cost increases
measured in Exhibit 47-3, said minimum rates are, and for the future,
will be, unreasonable and insufficient minimum rates for the services
to which they apply.

The Commission concludes that Petition No. 47 should be
granted to the extent provided by the order which follows, and that
Minimum Rate Tariff No. 4-B should be amended to incorporate the
minimum rates found reasonable herein.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 4-B (Appendix C of Decision
No. 65521, as amended) is further amended by incorporating therein,
to become effective June 20, 1970, the revised pages attached hereto
and by this reference made a part hereof, which pages are numbered
as follows:

Eleventh Revised Page 28
Eleventh Revised Page 29.

2. In all other respects said Decision No. 65521, as amended,
shall remain in full force and effect.

The effective date of this order shall be twenty-four days
after the date hereof.

Dated at San Francisco, California, this 12th
day of MAY, 1970.

William J. ...
President
...
...
...
Commissioners

SECTION 3--RATES (Continued)				ITEM
RATES IN CENTS PER HOUR (1) (2) (Applies for Distances of 50 Constructive Miles or Less)				330
Unit of Equipment: (a) with driver ----- (b) with driver and 1 helper----- Additional helpers, per man----- Minimum charge--the charge for one hour.	TERRITORY (3)			
	A	B	OC	
	1245	1120	1185	
	2200	1945	2055	
	775	615	620	
(1) See Item 70 for application of rates. (2) See Item 95 for computation of time. (3) See Item 210 for territorial descriptions.				
DISTANCE RATES IN CENTS PER PIECE (1) (2) (Applies to Shipments of Not More Than 5 Pieces for Distances of 50 Miles or Less)				340
FIRST PIECE			Each Addi- tional Piece	
MILES (3)				
Not Over 10	Over 10 but Not Over 20	Over 20		
1025	1905	2665		
(1) See Item 70 for application of rates. (2) Rates in this item will not apply to split pickup or split delivery shipments, or storage in transit privileges. (3) See Item 50 for computation of distances.				
♂ Change) ◊ Increase) Decision No. 77194				
EFFECTIVE				
Correction 125		ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA		

SECTION 3--RATES (Concluded)			ITEM	
ACCESSORIAL RATES				
Rates in Cents per Man per Hour (1) (2) (3)				
Packing) Unpacking) Minimum Charge--the charge for one hour.	TERRITORY (4)		350	
	A	B		OC
	940	840		900
(1) See Item 70 for application of rates. (2) See Item 95 for computation of time. (3) Rates do not include cost of materials. (See Item 360) (4) See Item 210 for description of territories.				
RATES AND CHARGES FOR PICKING UP OR DELIVERING SHIPPING CONTAINERS AND PACKING MATERIALS				
1. In the event new or used shipping containers, including wardrobes, are delivered by the carrier, its agent, or employees, prior to the time shipment is tendered for transportation, or such containers are picked up by the carrier, its agents or employees subsequent to the time delivery is accomplished, the following transportation charges shall be assessed: (See Note 1)				
Each container, set up ----- 170 cents Each bundle of containers, folded flat----- 170 cents Minimum charge, per delivery ----- 790 cents				
2. (a) Shipping containers, including wardrobes (See Note 2) and packing materials which are furnished by the carrier at the request of the shipper will be charged for at not less than the actual original cost to the carrier of such materials, F.O.B. carrier's place of business.			360	
(b) In the event such packing materials and shipping containers are returned to any carrier, participating in the transportation thereof when loaded, an allowance may be made to the consignee or his agent of not to exceed 75 percent of the charges assessed under the provisions of paragraph 2(a).				
NOTE 1.--If the hourly rates named in Item 330 provide a lower charge than the charge in paragraph 1 of this item such lower charge shall apply.				
NOTE 2.--No charge will be assessed for wardrobes on shipments transported at the rates provided in Item 330.				
⚡ Change) ⬆ Increase) Decision No. 77194				
EFFECTIVE				
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.				
Correction 126				