

Traffic Department

ed as unreasonable, prejudicial and unjustly discriminatory. This case was docketed by the Interstate Commerce Commission under its docket 10023, and assigned for hearing at El Paso on February 27, 1919.

At the hearing a compromise was reached, which provided that the El Paso Chamber of Commerce would accept, as removal of its claim of unreasonable and discriminatory rates, the Arizona intra-state class rates as published in Pacific Freight Tariff Bureau Tariff 85, as amended, for similar distances between El Paso and points on the lines previously mentioned, the then existing class rates between El Paso, Phoenix, Fowler and Mesa to be continued in effect, were lower and held as maximum at intermediate points.

The compromise basis of rates was supposed to have been published within 60 days from the date of the hearing which was held on February 27. The rates, however, were not so published. In fact, when I assumed charge of the traffic department on March 24, 1919, the matter had drifted into a state of dormancy with prospects of its coming out of that state very remote. I, quite naturally, took the matter in hand and after fighting continuously for six months and carrying my fight from San Francisco to Washington and back again, finally succeeded in securing the publication of these rates.

Anticipates Oil Development.

In order that the El Paso dealers in cottonseed and cottonseed products might buy in east Texas on lines other than the Santa Fe, and ship to points in New Mexico, on reasonable rates, we made application and secured a reduction in the rates.

In anticipation of the movement of drilling outfits and other oil well supplies from Oklahoma to El Paso for use in oil development, we made application for and secured a reduction in the rates.

We secured a reduction in the rates applying on hay, straw and corn fodder, carloads, from El Paso to Stanley, Moriarty and Estancia, New Mexico. The Agricultural Department is endeavoring to encourage the use of corn fodder as stock feed. In addition to helping the El Paso feed dealers in this instance, we rendered co-operative service to the Agricultural Department.

We made application for and secured an especially low rate on crude talc, carloads, from Tularosa, New Mexico, to El Paso. Farrow-Crouch-Logan Company, wholesale drug manufacturers and jobbers are going to manufacture talcum powder in El Paso, and this rate was secured for their benefit.

We made application for and secured a reduction in the rate applying on rough iron and steel castings, carloads, El Paso to Humboldt, Clarksdale and Mayor, Arizona.

We made application for and secured a reduction in the rate applying on mining machinery, carloads, from El Paso to Humboldt, Arizona.

We made application for and secured a 50% reduction in the rate applying on scrap iron and steel, carloads, Clarkdale, Arizona, to El Paso.

We made application for a reduction in the rate applying on iron and steel grinding balls, carloads, from El Paso to Humboldt and Mayor, Arizona. The District Freight Traffic Committee of the U. S. Railroad Administration, with whom this application was filed, has not yet rendered a decision, but we are expecting one most any day.

Lumber Rates.

The Railroad Administration, thru the Dallas District Freight Traffic Committee, announces its intention to increase by from 3 to 7 cents per 100 pounds, the rates applying on mine props, mine stulls, mine timbers and lagging, carloads, from certain Louisiana points to Arizona and New Mexico. We opposed and killed this proposition. El Paso was directly interested in this because of the fact that some of our lumber dealers are mov-

ing lumber from these Louisiana points and selling it to the mines located in Arizona and New Mexico.

In order that Mr. W. Jessen, one of our fuel dealers, might move from Nogales, Arizona, and dispose of in Douglas, Arizona, about 900 cords of wood which he has in Nogales, we made application for a special commodity rate on wood, carloads, from Nogales to Douglas. The San Francisco District Freight Traffic Committee has not yet rendered a decision in this case.

We made application for and the Dallas District Freight Traffic Committee has approved a rate of 28 cents on cement, carloads, from El Paso to Dalhart, Texas, via the E. P. & S. W. and Rock Island. This is the Texas intrastate rate.

Service to Jobbers.

As the result of our efforts along with those of others, Rule 10 of Consolidated Classification which becomes effective on December 30, 1919, has been restricted so as to apply to class rates only. It was originally proposed to make this rule applicable in connection with both class and commodity rates. It provided that any and everything might be loaded into one car and that the freight charges on the car would be based on the highest rate and minimum applicable to any commodity loaded therein. Had this rule gone into effect as originally proposed, it would have been ruinous to the western jobbers—the El Paso jobbers. Under it, a jobber or several jobbers in Kansas City, could have loaded into one car a miscellaneous list of various commodities, shipped the car direct to Las Cruces, for example, and would not have paid any more freight charges than our jobber would have paid had he bought a solid carload of the highest rated commodity in the car and shipped it direct to El Paso. If the Las Cruces merchant could get small quantities of goods shipped to him from Kansas City at the carload rate, he certainly would not buy in El Paso and pay the carload rate in and the local rate out. This is what he is doing today. Had Rule 10 gone into effect as originally proposed, he could have secured the carload rate on his small shipments when loaded in cars with goods belonging to others. With Rule 10 restricted to classes only, our jobbers are not hurt.

The Washington Department.

Thru our Washington Representative, Mr. John A. Happer, we are endeavoring to secure an appropriation from Congress which will permit the Department of Agriculture to assume the fumigation charge now being assessed against cars imported from the pink boll weevil infested districts of Mexico. The fumigation charge is now \$5.00 per car, plus a switching charge of \$3.09 from the International Bridge to the fumigation plant. Our principal argument in favor of the assumption of this charge by the Department of Agriculture is that the present method of assessing this charge operates unjustly to the people who are moving commodities other than cottonseed and cottonseed products from Mexico. A man shipping ore, gasoline or any other like commodity out of or thru the pink boll weevil infested areas of Mexico, is compelled to have his car or cars fumigated and must pay the charges hereover mentioned.

We have secured fabrication in transit privileges on iron and steel articles, at El Paso. These privileges will be published and made effective December 31, 1919.

We have opposed the cancellation of the \$15.00 per car charge now applying on carload shipments moving between El Paso and Ft. Bliss. Whether we will be successful in preventing the Railroad Administration from canceling this charge, I do not know. I hope we will. If not, as soon as the railroads revert to private operation, we will file complaint with the Texas Railroad Commission and have the charge reinstated.

Side Track Agreement.

We have been endeavoring to secure from the Railroad Administration a fairer side track agreement than that which it has been forcing industries to accept. We have not succeeded in getting any concession from the Railroad Administration, and probably will not succeed in securing a fair and just contract form until after the railroads are turned back to their owners.

We have actively opposed the closing of the New Orleans gateway for Trans-continental passenger traffic. The closing of this gateway would be hurtful to it commercially. We hope to be able to keep New Orleans gateway open.

We have secured a 5 cents per 100 pounds reduction in the lumber and shingle rates applying from Oregon to El Paso.

Milling in Transit.

We made application for milling in transit privileges, eastbound, at El Paso on grain and grain products, also on alfalfa hay. The Dallas District Freight Traffic Committee recommended that our application be approved and that the privilege be made effective. They have not yet been published but will probably be published before the end of the year.

We opposed the cancellation of the special dry goods rates applying from New York and Seaboard Territory to El Paso and other Texas points. The mixture provided under these rates is especially advantageous to our dry goods merchants, and the cancellation of these rates would hurt their business seriously.

We made application for and will doubtless secure by the end of the year, special slack coal rates from New Mexico and Colorado mines.

By diversion arrangement, we have opened the Pecos gateway for shipments moving from El Paso to points in the Pecos Valley territory. We applied for the publication of the Santa Fe rates via the T. & P. and Santa Fe thru Pecos. The Dallas District Freight Traffic Committee has filed its recommendation with respect to our application, and we should, by the first of the year, have the Pecos gateway permanently open. After the lines revert to private operation, we will obtain a further adjustment of these rates.

Rates on Newsprint.

We secured an increase in the valuation limit applying in connection with the rates on newsprint. For example: The rate on newsprint, carloads, from International Falls, Minn., to El Paso, was \$1.22 per 100 pounds where the valuation exceeded 3½¢ per pound. There was a rate of \$1.00½ per 100 pounds where the valuation was 3½¢ or less per pound. The value of newsprint increased to about 4 c. This prohibited the application of the lower rate on the same class of paper which only a short time previously had moved on the \$1.00½ rate. By obtaining an increase in the valuation limit to 4½¢, we made it possible for our newspapers to secure the lower rate.

We obtained low commodity rates on mica and mica ore from El Paso to Texas, Louisiana and eastern points.

We secured a reduction in the rate applying on shale, carloads, from Bowen, New Mexico, to El Paso. Bowen is where the International Brick Company obtains the clay from which it makes its brick.

Proposed Increase in Cement Rates.

The Railroad Administration, thru the Dallas District Freight Traffic Committee, some time ago, proposed to establish a strictly mileage scale in Texas on cement in carload lots. To establish a strictly mileage scale in Texas would force our cement plant out of the Texas field. Their Texas business equals approximately 50% of their gross business. It is therefore, easy to understand how badly they would be hurt if their Texas business were taken away from them. We successfully opposed this proposition.

We joined the Southwestern Portland Ce-