

.00027 OF 1 PERCENT

The volume of trucking involved in this hearing is estimated at .00027 of 1 percent of total trucking operations.

There are two fairly recent studies made by the United States Department of Agriculture which bear upon the volume of trucking operations performed by farmers' cooperatives. These are General Report 109, issued in February 1963, and General Report 121, issued in June 1964. Both are reports of actual surveys made by the Farmer Cooperative Service.

These reports have been cited by proponents of legislation attacking the agricultural exemptions to emphasize the fact that as of January 1, 1961, cooperatives were operating an estimated 33,000 motor-trucks.

Failure to regulate these trucks, proponents have argued, would impair the transportation industry of the country and cause great hardship to regulated carriers.

The reports show that in the 10-year period 1951 to 1961 the number of trucks operated by cooperatives increased about 18 percent as against an increase in total truck registrations of about 32 percent.

The relative proportion of trucks operated by cooperatives is therefore decreasing, and the relative proportion of trucking business done by cooperatives today is probably less than the proportion indicated by the surveys.

In terms of trucks registered, the surveys show that in 1960, less than .3 of 1 percent of total trucks registered were operated by cooperatives.

Truck mileage of all farmers' cooperatives in 1960 was estimated in the reports at about .5 of 1 percent of all truck mileage over rural and urban roads.

Out of the .5 of 1 percent of cooperative truck mileage, about 72 percent was local pick-up and delivery and movements from farms to local concentration points. In the case of dairy cooperatives, which account for a large proportion of total cooperative trucks, this would be hauling from farm to plant and on local home and store distribution routes. This type of operation is not involved in this proceeding.

Only about 28 percent of the cooperative trucking operations are over-the-road trucking.

Information obtained from 18 of the larger cooperatives doing over-the-road trucking shows that the cooperatives had back-hauls on about 21.8 percent of their trips. Smaller cooperatives would probably have less back-hauls, because their operations would be more irregular and back-hauls would be more difficult to arrange.

In 92.9 percent of the back-hauls, the cooperative was hauling its own goods. Goods of other cooperatives accounted for 5.9 percent of the back-hauls and exempt agricultural commodities for .3 of 1 percent. Back-hauls of the type complained about at this hearing, non-agricultural supplies hauled for non-members, accounted for only .9 of 1 percent of the back-haul trips.

Putting these figures together, we come up with the conclusion that the type of hauling done by farmers' cooperatives, about which the Interstate Commerce Commission and the regulated truckers are concerned, is approximately .00027 of 1 percent of the total trucking operations of the country.

Certainly this does not show any abuse by farmers' cooperatives of the agricultural exemption granted them by Congress.

Neither does it show any need for remedial legislation.

It has been suggested that non-member, non-agricultural back-hauls by farmers' cooperatives may increase following the decision in the Northwest Agricultural Cooperative case.

The over-the-road mileage of farmers' cooperative trucks is only about .14 of 1 percent of total truck mileage. If every outbound load were matched with an inbound load of non-member, non-agricultural freight, the business lost to regulated carriers would still be only about .07 of 1 percent of total truck mileage.

Furthermore, the U.S.D.A. surveys show that a high percentage of the back-haul trips of farmers' cooperatives are used in transporting the cooperatives' own goods and the goods of other cooperatives. These trips, of course, would not be available for other freight. Also, in many cases, the equipment is not suitable for back-hauling general freight, for example, milk tank trucks.

Although the volume of non-member, non-agricultural business handled by farmers' cooperatives is a very infinitesimal part of total trucking operations, it is important to these farmers' organizations to be free of regulation by the Interstate Commerce Commission and to be able to do the most economical job possible in transporting farmers' products to market.