

After a line is once constructed, fixed charges are practically unaffected by variations in the volume of traffic. General Expenses for small increases, or decreases, are also unaffected. The expenses of conducting transportation, and a proportion of the Maintenance of Ways Expenses, vary more or less directly as the number of trains required to transport traffic.

COST OF TRANSPORTATION.—The direct cost of handling a certain traffic may be considered to vary as the number of trains required to carry same, rather than the actual amount of traffic. The train mile may therefore be taken as the economic factor in operation.

TRAIN MILE COST.—Train Mile cost varies from 90c. to \$1.20, and if no accurate data is at hand to compute same it may be assumed at \$1.00. If the number of trains is decreased or increased in handling a certain amount of traffic, the amount so saved may be considered at 50c. per train mile, if trains hauled do not average over 800 tons; with heavier trains, 800-1200 tons, 55 cents per train mile; 1200 tons or over, 60c. per train mile.

Excess traffic may be considered to be handled for 60c. per train mile provided return loads are secured. If return loads cannot be had, cost will be considered at \$1.00 per train mile.

If traffic is unbalanced, any traffic which can be secured to fill up empty trains may be figured at 30c. per train mile.

These latter values will be used in comparing alternative lines which touch fewer or more traffic centres.

COST OF ASSISTANCE TO DIRECT OPERATION.—The cost of 100% assistant engine, tractive power 20,000lbs., averaging over 80 miles per day will be assumed at 35c. per engine mile, both assisting and returning light; if engine assists both ways, with no light running, the cost per engine mile will be 40c.

If daily mileage is less than 80 miles, the following values will be used:—

40 miles per day, 50c. per engine mile, single crew.

50 miles per day, 45c. per engine mile, single crew.

60 miles per day, 40c. per engine mile, single crew, 45c. double.