

There are Grounds for Concern

Not long ago, one of the line's senior officials called the USSR Ministry of Railways to verify equipment delivery times, but at the other end of the line there was genuine astonishment: "What deliveries? You're being dissolved!"

Evidently, it's one of the two: either some ministerial staff members feel that the proposal made at the meeting of the Collegium of the USSR Ministry of Railways to be a fait accompli, or else they are using the situation to relieve themselves of any responsibilities with respect to BAM. All this complicates work, especially now, on the eve of BAM's placement into permanent operation.

Let's give it some thought: can BAM become profitable by the end of the five-year-plan? To start with, from where do its losses spring? It is a modern enterprise. large, technically well-equipped engine-houses; powerful boiler units with the latest machinery; diesel locomotives produced especially for BAM - there's no need to enumerate everything. And all this is expensive.

Suffice to say that by the end of the five-year plan, the line's fixed capital will amount to that of the Far Eastern, Transbaikal and East Siberian Railroads taken together. Amortization deductions at BAM amount to just a little less than half of all operational costs. Costs are also high because the line has contracted 60% of the staff required under normal operation, whereas traffic is so far only 10% of planned volume. The point is that the requisite staff depends not only on traffic volume, but also on the length of the line and the