

maintenance and depreciation). This brings operating expenses to a total of \$3,250,000, leaving only \$1,750,000. This would cover fixed charges should the capital be no more than the real value as we have shown above, but of course to these charges must be added others sufficient to cover the value of the present investment of the street railway company's shareholders for the ensuing seven years. It will readily be seen, however, that if the franchise were terminable in four years' time the system just outlined would be practically self-sustaining.

Assuming the real value as above stated is \$41,500,000 in the year 1921, when the franchise terminates, and that the passenger traffic to accrue to the entire system will be—as we estimate it—in the neighborhood of 220,000,000 passengers for that year, the inference is plain, that, as a carefully and economically operated concern it should produce at least moderate surplus.

Depressed Trolley Lines:

Assuming you can co-operate with the present railway company and that it is agreed the number of trolley cars passing along Yonge Street should be greatly diminished or entirely removed from this important thoroughfare, it is possible to depress the tracks immediately under the street for such a distance as might be thought advisable or sufficient. This can be done by constructing a subway under the street with a loop at its southern end and branches leading into the important side streets and rising through portals to the surface at these points. Where these portals exist it would probably be, in some cases, desirable to widen the street for a length of not less than 200 feet in each case. The following diagram (Figure No. 28) illustrates the meaning of this recommendation diagrammatically. Exclusive of the purchase of property where the streets may have to be widened if necessary, the cost of such a structure to accommodate trolley cars, including tracks and stations (100 feet long), exits, entrances and portals, we estimate may be assumed at \$310 per foot. The portals would occupy a space in the middle of the streets approximately 21 feet over all by 150 feet to 200 feet long, the latter depending on the grade leading from the street to the subway; which for this short length can be anywhere from 7½ per cent. to 10 per cent. Such an arrangement, of course, if carried out prior to the expiration of the franchise, would have to be done under a special agreement with the Toronto Railway Company. The Council may think it wise to carry the cost of this, with the taxation at present levied on the railway company, who we presume would doubtless be glad to operate it under their present arrangements. This really of course involves added taxation to the public, excepting that the street railway company could afford to pay a rental in view of the superior accommodation afforded by the subway. This subway can be designed to form in the future, if necessary, a part of the other subway schemes.