

LETTER OF TRANSMITTAL

BION J. ARNOLD

105 SOUTH LA SALLE STREET, CHICAGO

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SIR,—I have the honor to present herewith such conclusions and recommendations as can be reached at this time in connection with the local passenger transportation problem of the Toronto District. The increasing demands and the opportunities for further traction development have been shown, and the necessity of a comprehensive plan for rehabilitation, betterments, extensions, re-routing and publicity has been, in my opinion, fully demonstrated. The report has been prepared in sections in order to permit of a convenient sub-division of the entire subject, and the numerous topics of these sub-divisions discussed. Preceding the body of the report will be found a summary of recommendations for the benefit of those who desire a comprehensive view of the subject without being required to study it in detail. In this study my entire effort has been to investigate the traction situation as it exists, make recommendations for its improvement, and give some idea of the magnitude of the problem of the future.

Two plans are submitted, one contemplating the operation of all lines in the Toronto District under one management, and the other providing an independent system with an entrance to the heart of the business district for many of the present and proposed civic lines, with the system so planned that it can eventually be co-ordinated with the lines of the present traction system when the franchises under which they are now being operated expire.

The Toronto Railway Company is at present returning to the City a larger percentage of its receipts than is being received by any other American municipality from its street railway system. At the same time it is paying to its owners a liberal return, and building up a large reserve