

Mr. MCGREGOR: Mr. Broome, before the hearing we had very substantial capacity for tourist service transcontinentally. All our North Star transcontinental flights were fully tourist. In addition to that we had fifteen tourist seats in each of the Super Constellation flights. So I do not think the criticism is correct. It has been the policy over the last four years to make the amount of increase of seats of the tourist category greater than first-class, because it is a more saleable product at the lower price; and this will continue.

The business of putting tourist seats on such routes as Ottawa-Toronto is rather difficult from an equipment standpoint, that is, at this particular stage in our development. The Viscount at present is not particularly well suited to use as a tourist type aircraft.

The CHAIRMAN: Any other questions?

Mr. CHEVRIER: Since we have last met, what has been the extension of your overseas activities? I see a run to Austria?

Mr. MCGREGOR: Yes.

Mr. CHEVRIER: Has there been any other extensions of your runs overseas?

Mr. MCGREGOR: Well, throughout 1958 there were extensions to both Belgium and Switzerland, and this year to Austria.

Mr. CHEVRIER: Is that done from London or is it a straight flight?

Mr. MCGREGOR: There is one direct operations between Canada and Brussels but not Canada and Zurich. In some cases they stop in London, in other cases at Paris, and in one case Dusseldorf.

Mr. CHEVRIER: May I ask one or two more questions in connection with that? Do you fly direct from Montreal to Paris?

Mr. MCGREGOR: Yes, non-stop.

Mr. CHEVRIER: I am very disturbed, and I do not mind telling you this, about the manner in which Air France is taking business from T.C.A. It is astounding to see how Montrealers and Quebecers continue to travel Air France instead of T.C.A. Is there anything that can be done by T.C.A. to offset what appears to be—perhaps wrongly, but I do not think so—a tremendous loss of business which T.C.A. should be getting for its flight direct Montreal to Paris?

Mr. MCGREGOR: You are perfectly right in your observation. This, I think, is a natural outcome of the fact that for something like two years Air France was operating a flight non-stop between Montreal and Paris and advertising it as such—"The only non-stop service." When we put the long-range tanks on the wing-tips of the Super Constellation we were then able to fly non-stop, as they were, and have been able to advertise it. There is always quite a long period when the original impression that of only Air France flying non-stop, continues in the public mind. That is the case in that particular passenger service. We are doing the best we can, from the standpoint of sales and advertising, particularly in the French-speaking area, to regain what we think should be our position.

Mr. CHEVRIER: How was the payload, for instance, 1958?

Mr. MCGREGOR: It is good. We cannot complain about the load factor.

The CHAIRMAN: Any further questions?

Mr. McPHILLIPS: Yes.

Mr. MCGREGOR: The load factors on Air France vary between 58.7 and a high of 69.5; T.C.A.'s vary between a low of 53.1 and 82. Generally speaking, our load factors are higher than theirs. The total percentage operated by carriers, that is, the whole of the transatlantic, between Canada and Europe, Air France carries eastbound 5.2 per cent, and westbound 6 per cent; T.C.A. 41.7 per cent and 35.9 per cent.