The increase in available transportation was supported by the most intensive sales effort in TCA's history. A major advertising program, using newspapers, television and radio, and supplemented by direct sales activity in all the communities served by the airline, aimed at the general stimulation of air travel and air shipment. Particular emphasis was put on the encouragement of business in the normally slack winter season. The success of these efforts was reflected in record revenues. For the fourth time in the past five years TCA advertising was judged to be the best in the Canadian transportation field.

The growth of air freight traffic accelerated very satisfactorily. This trend was due, in part, to the improved shipping service made possible by the larger and faster turbine powered aircraft, particularly the Vanguards with their great cargo capacity. Credit must also be given to the company's very active promotion of air shipment and the growing awareness of the business community of the advantages of the service offered.

The airline flew 12,862,000 ton miles of mail. The bulk of this constituted first class domestic mail which has been generally transported by air since 1948. A new contract was negotiated with the Canada post office in 1962 to provide for the growing volume of mail being carried on North American routes. This increases the permissible monthly volume of mail transport and its payment. The lowest rate is reduced from  $62\phi$  to  $48\phi$  per ton mile, a decrease of approximately  $22\frac{1}{2}$  per cent. It is through this type of cooperation between the Post Office Department and T.C.A. that it has been possible to bring about in Canada one of the highest standards of air mail service in the world at low cost to the consumer. No other country offers to the public air mail service on the scale available in Canada at rates of  $5\phi$  for the first ounce and  $3\phi$  per ounce thereafter, up to 8 ounces per piece.

In the summer months the airline, for the first time, scheduled a daily through service with DC-8 jet aircraft between Vancouver, Toronto, Montreal and continental Europe. These flights served Calgary four days a week and Edmonton three days a week.

The company's operations to Brussels were suspended on March 2 due to insufficient traffic to and from that point.

On June 7 T.C.A. had the honour of transporting Her Majesty The Queen Mother from London to Montreal on a scheduled jet flight. This operation was conducted with efficiency, the aircraft touching down at precisely the planned minute. The Queen Mother, in the course of the Atlantic crossing, thoroughly endeared herself to the other passengers.

The company observed its twenty-fifth birthday by flying one of its original aircraft, a ten passenger Lockheed 10A, from Halifax to Vancouver. It was then used on September 1 to re-enact over the 122-mile route between Vancouver and Seattle T.C.A.'s first scheduled flight which had taken place on that same day a quarter of a century before.

The commercial agreement with the British Overseas Airways Corporation on the North Atlantic was continued to the advantage of the carriers and the travelling public. Joint planning provided a superior schedule of Overseas flights and permitted important operating economies.

At year end, T.C.A. was operating over 35,246 miles of air routes and serving 58 communities in Canada, the United States, the British Isles, continental Europe and the Caribbean. The company's route pattern is illustrated by the map on pages 12 and 13.