

MOST SECRET

March 6th, 1944.

CABINET CONCLUSIONS

A meeting of Council was held in the Privy Council Chamber on Monday, March 6th, at 11.30 a.m.

The Prime Minister (Mr. King), in the Chair.

Government Policy on Civil Aviation  
Domestic aviation; Air Transport Board; ownership  
of airlines by railway companies

1. The Secretary submitted a report of the Committee on Air Transport Policy upon the establishment of a civil aviation authority. The Committee had been directed by the Cabinet War Committee to prepare a report, on this subject, for consideration by the Cabinet.

(Report upon the establishment of an Air Transport Board, March 4th, 1944).

2. The Secretary also submitted a preliminary report from the Minister of Munitions and Supply regarding the ownership of Trans-Canada Airlines by the Canadian National Railways and on the general subject of operation of airline services by railway companies.

(Letter from the Minister of Munitions and Supply, March 3rd, 1944).

3. The Cabinet, after discussion, agreed -

(a) that the recommendation contained in the report of the Air Transport Policy Committee for the establishment of an Air Transport Board be accepted in principle; details of the Committee's report to be further considered;

(b) that, as a matter of policy, it was desirable that the operation of air services be separated from that of railways and that, to this end, provision should be made to divest railway companies of ownership of companies operating air services;

(c) that the Secretary prepare, for consideration at the next meeting of the Cabinet, a draft communication to the President of the Canadian Pacific Railway Company, setting out the government's decisions as already stated to Parliament and as taken at the meeting of March 2nd and at this meeting, with particular reference to the matter of separating ownership and operation of air services from ownership and operation of railways.

*A. D. P. Heeney*  
A. D. P. Heeney  
Secretary.

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