

I visualize the day, and not in the far distant future, when we will see huge central warehouses built close to our major airports, with connecting runways that will permit 30 to 40 ton cargo planes to taxi right into a warehouse, just as a truck does today, load its cargo in Montreal and deliver it in Vancouver the same morning.

When we accomplish this we will have given Canadian industry a major opportunity to improve its competitive position by providing the benefits of rapid delivery and continuity of supply in areas far removed from the source of production.

From the point of available facilities for air cargo in Canada, the prospect for the immediate future is greatly expanded capacity.

By December of this year TCA will be able to lift approximately 1.6 million pounds a month westbound from Toronto, compared to the present figure of approximately 400,000 pounds. In short, a fourfold expansion in air freight facilities before the end of this year. The same type of expansion in facilities will be possible to and from the Atlantic provinces, and early in 1961, to New York and Chicago.

Shipments will move at much greater speeds, so that a combination of increased speed in delivery and increased transport capacity will result in dramatically improved service.

This improvement in service might lead one to expect higher rates, but let me assure you, the reverse will very likely be the case, because of the increased productivity of the new aircraft.

On April 1st last, trans-Atlantic rates were reduced on a wide list of commodities --- in some cases as much as 50 per cent.

TCA has at present under study a review of prevailing domestic rates with a view to a reduction in domestic rates for air cargo, particularly long-haul cargo.

The increased productivity of the new aircraft now going into service provides the breakthrough for the carriage of large volumes of cargo by air.

At present the air industry is looking even farther ahead, and plans are well advanced for pure jet and turbo-prop freighter aircraft --- which give promise of lower cost transportation.

TCA, along with other North American and overseas airlines, is today actively studying the possibilities of employing new, modern, freighter aircraft on its routes, to provide even greater capacity and better service to Canadian business and industry.