

Mr. HAMILTON (*York West*): As far as the domestic use of aircraft in this service is concerned it may not be paying its way, that is, from the post office standpoint?

Mr. MCGREGOR: I cannot express an opinion on that.

Mr. LANGLOIS (*Gaspé*): The Post Office department would indicate that.

The CHAIRMAN: Carried?

Carried.

"Commodity Traffic."

Mr. FULTON: Are you contemplating an extension of the service Montreal-Toronto-Winnipeg-Vancouver?

Mr. MCGREGOR: Yes, Mr. Fulton, within the next six weeks.

Mr. HAMILTON (*York West*): Mr. McGregor, this system is utilizing the North Star aircraft—is that what is going to be used on this?

Mr. MCGREGOR: No, the service referred to in the report, the five flights a week to Winnipeg are Bristol freighter aircraft. These will be substituted on that run and will be completed to Vancouver with converted North Stars.

Mr. HAMILTON (*York West*): Would you go over that again? The Bristol freighter is now flying the short-run freight. Is that service with the Bristols going to be extended to the coast?

Mr. MCGREGOR: No, the Bristols will be taken off the trans-continental run and consigned to shorter hops and the trans-Canada service on a five-day a week basis will be extended to the coast and operated by converted cargo North Stars.

Mr. HAMILTON (*York West*): How many planes do you expect to have in that type of service?

Mr. MCGREGOR: Three.

Mr. HAMILTON (*York West*): Have you completed conversion of any of them yet?

Mr. MCGREGOR: Very nearly.

Mr. HAMILTON (*York West*): Does that provide the same type of cargo handling facilities you get out of the Bristols?

Mr. MCGREGOR: No, there will be restrictions on what can be loaded with respect to dimensions. The weight carried will exceed that of the Bristol and the speed of the transportation will, of course, be about double.

Mr. HAMILTON (*York West*): I assume there has been a slight delay in getting that service into effect. I think it was referred to a couple of years ago.

Mr. MCGREGOR: I seem to remember it.

Mr. HAMILTON (*York West*): You thought then that it would be within about a year.

Mr. MCGREGOR: Yes.

Mr. HAMILTON (*York West*): This is the same service that was proposed then?

Mr. MCGREGOR: That is correct.

Mr. HAMILTON (*York West*): In connection with the graph indicating the increase in this air freight traffic it appears that there has been a fairly acute or a sharp angle from 1953 to date, that is, comparing it with the previous increase in traffic. Now, did that result immediately after putting on the Bristol aircraft on inter-city hops? Were they in service during this period?

Mr. MCGREGOR: Mr. Hamilton, I think the major factor in that steepening of the curve was due to a reduction in rates.