

Mr. DREW: I understand that the route mileage for K.L.M. is 75,000, or something like that.

Mr. MCGREGOR: That is no doubt due in part to their peculiar method of computing it. We consider our route mileage across the North Atlantic as one route although actually we fly into Prestwick; that is, from Montreal to Prestwick, from Montreal to London and from Montreal to Shannon; now, on the basis by which K.L.M. calculates their routes those would be three separate routes each 2,000 miles in flight.

Mr. DREW: They are, of course, operating a great many more machines?

Mr. MCGREGOR: Yes.

Mr. DREW: Do you know how many?

Mr. MCGREGOR: No.

Mr. DREW: Well, I recognize that there are limitations to certain international arrangements and discussions, but without dealing for a moment with any of the details that might be involved in that, would you agree or not that Trans-Canada Air Lines could well operate extended services into other areas if you could make arrangements for that?

Mr. MCGREGOR: Yes.

Mr. DREW: Would it be of advantage to us?

Mr. MCGREGOR: That would depend entirely on the route. If they only involved additional routes as between Canada and other countries I would doubt it very much, with one or two exceptions; if it was a matter of giving T.C.A. the right to pick up passengers say at New York and fly them to Rio, I think it might be very desirable.

Mr. DREW: I am thinking now, for instance, of the air route from Port-au-Spain. It would be an advantage, would it not, to be able to fly them right through to South America?

Mr. MCGREGOR: Financially, no, not with only Canada as the passenger traffic generating point.

Mr. DREW: In that respect I am thinking of the fact that K.L.M., for instance, have pick-up rights at such places as London, and Paris—

Mr. MCGREGOR: And New York.

Mr. DREW: —and New York, and to carry them on through to South American airports; and also they have pick-up rights in New York and London and Paris and Rome, for passengers to the east as well, have they not?

Mr. MCGREGOR: I think perhaps not directly; I do not believe they have pick-up rights out of New York for points in the east. I assume now, it is the far east you are speaking of.

Mr. DREW: Yes, I do not think they would do it directly; I mean, there is no limitation on their pick-up rights at New York so far as subsequent travel on the part of passengers from other aircraft to eastern points is concerned, is there?

Mr. MCGREGOR: No, there is no limitation on that.

Mr. DREW: And in the same way is it not so that in the lines that are competing in the North Atlantic, such as Pan American and T.W.A. and B.O.A.C. as well as K.L.M., have much more extensive connections at the termini under Atlantic runs than T.C.A. has?

Mr. MCGREGOR: In certain cases, over their own lines, we all have mutual rights to interchange of traffic with connecting lines at the termini of our trans-Atlantic run.

Mr. DREW: But in your case the passengers who would be going further would, of course, pass on to some other service?