

expedited mail transportation. Since the Post Office Department pioneered the "all-up" carriage of mail in 1948, Canada has enjoyed one of the swiftest postal delivery services in the world. It is of interest that a similar large-scale air carriage of first-class mail on an experimental basis got underway in the United States during the past year.

Under the terms of the Company's domestic mail contract, which calls for lower unit payments as traffic volume increases, the airline received 3% more revenue than in 1954, but mail pay per ton mile dropped from \$1.03 to 96 cents. This downward trend, as shown in the chart on page 10 has been constant since 1946 when TCA received \$3.12 a mail ton mile.

Mail traffic on the North Atlantic was up 13%, but revenue down 12% due to the application of reduced rates. Mail volume on the southern services was small.

Commodity Traffic

There was a healthy increase in commodity traffic, ton miles totalling 12,175,433. The growth of air freight was vigorous, 1955 loads being 19% above those of 1954. Air express ton miles increased by 21%.

TCA provided extensive facilities for air shipment. Not only was cargo carried on the more than 150 daily scheduled flights, but the scheduled all-cargo service, which previously terminated at Winnipeg, was extended to Vancouver with the substitution of North Stars for Bristol Freighter aircraft as planned. As the converted North Stars were able to provide a better and more economical service than the Company's three Bristol Freighters, the latter were sold, together with the single DC-3 cargo liner.

The trans-continental all-cargo service was operated five nights weekly, Monday through Friday, and although loads by no means approached available carrying capacity, it was hoped that the existence of this facility would encourage more shipments by air in the future.

The movement of air cargo, both within Canada and on the overseas services, unfortunately remained strongly directional.

Even so, TCA's carriage of trans-Atlantic air freight was large, exceeding that of all other airlines serving the Montreal gateway.

There was a decrease in air freight traffic on the Caribbean service.

Property and Equipment

Thirteen new aircraft were acquired and four aircraft sold for a net increase of nine. At year end the Company's fleet consisted of: 7 Super Constellations, 14 Viscounts, 22 North Stars and 26 DC-3's. The number of installed aircraft seats rose to 2,600, representing an increase of 90% in the past five years. Few airlines in the world are today as well equipped as TCA with aircraft for the specific types of operation required. The fact that the fleet performed throughout 1955 with a high degree of efficiency can be attributed to thorough maintenance and overhaul practices and the quality of the airline's technical staff.

Particularly satisfying was the performance of the Viscounts. Normally it can be expected that a new type of aircraft will present some operating problems when first introduced to service. The Viscounts, however, produced few such difficulties and showed promise of giving reliable, popular and economic service, summer and winter, for many years. From both the operations and traffic viewpoints, they proved ideal medium-range aircraft.

Prior to commencement of scheduled Viscount service, an extensive public demonstration programme was conducted in Canada and the United States. Many thousands of persons were introduced to the new aircraft and there was widespread press, radio and television interest. Large space advertising supported this introductory programme.