

The CHAIRMAN: Shall the item carry?

Carried.

"Mail Traffic."

Mr. HAMILTON (*Notre Dame de Grâce*): I notice, Mr. McGregor, that there is almost exactly the same proportionate increase in mail traffic and commodity traffic, 28 per cent. On April 1, last year, we commenced this all-up mail service. Had that any effect on the increase in the mail tonnage?

Mr. MCGREGOR: Mr. Hamilton, the all-up mail has been in force much longer than that. There was a change made in the permissible weight of a letter that would travel at ordinary first-class rates on the all-up service, but the all-up service has been in force for about five years.

Mr. HAMILTON (*Notre Dame de Grâce*): That really was the point I wanted to make, that the effect of the all-up mail service was very minor in your increased mail traffic carried this year because it was only due to carrying a limited number of somewhat heavier letters?

Mr. MCGREGOR: Yes.

Mr. HAMILTON (*York West*): Does Trans-Canada Air Lines contribute in any way to the advertisements that are now being seen almost daily in the press advertising all-up mail?

Mr. MCGREGOR: No, we include mail in a lot of our general advertising which is mainly directed at passenger and commodity traffic and frequently those same advertisements mention the desirability of your letter going by air. But we do not contribute to the post office advertising program in any way.

Mr. HAMILTON (*York West*): I see. That mail is going to go all-up, in any case, whether that advertising is in the newspaper or not, is that right.

Mr. MCGREGOR: On certain routes.

Mr. HAMILTON (*York West*): Providing the weather is satisfactory and between main line points it will go airmail?

Mr. MCGREGOR: I think the stipulation, Mr. Hamilton, is providing its delivery is speeded up by the use of air it will go that way.

The CHAIRMAN: Mail traffic, will it carry?

Mr. HAMILTON (*York West*): Before you go on, Mr. Chairman, is the airmail now being carried on a straight revenue basis, that is, does the placing of the stamp on each envelope constitute what eventually is paid T.C.A. or does something have to be added in?

Mr. MCGREGOR: Are you asking does the revenue from the sale of stamps cover the air carriage charge?

Mr. HAMILTON (*York West*): You may not know the answer, but that is what I am asking.

Mr. MCGREGOR: I don't know domestically. I do know that it very much more than covers it on the transatlantic service.

Mr. HAMILTON (*York West*): In other words, you cannot tell whether the per ton charge for mail by the post office actually coincides or is less or greater than the amount of the postage on a letter?

Mr. MCGREGOR: No, the post office have collection and delivery charges other than the actual transportation of mail between airport and airport. I do not know what they are, but I do know I calculated the number of letters per pound on the transatlantic and the transatlantic postage rates that applied and on that basis revenue would appear to be substantially greater than is paid to us for the air transportation of that mail.