By Mr. Fulton:

Q. What is the comparable situation with respect to passengers? Have you any figures to show how we compare with the other competing air lines?—A. We have figures and can get them. Due to our frequency I would say it is very probable that the same statement as for commodity traffic is true.

Q. Because we operate the most frequent service?—A. Yes.

Q. As a matter of interest you might file that information with the committee?—A. I will be glad to do so.

(See Appendix "A".)

Q. The other question I had was with respect to the commodity shipment of flowers and you will remember there was some controversy as to whether you should continue shipping those by air. As you say, it is a very perishable and highly seasonable commodity. Did your experience this year work out satisfactorily with the growers concerned and have you decided to continue it—so that it will go on from year to year?—A. It was reasonably satisfactory from the air line point of view. The growers asked for several extra sections for the specific purpose of shipping cut flowers. Only about two-thirds of the accommodation requested was used. Easter this year coincided with the coming into bloom of a large amount of western flowers, but apparently the market demand was not quite as big as they had thought it would be. That was apparently the limiting factor; but certainly the air space was available in greater quantity than was actually used.

Q. Their thought was that they would have to ask for air space in excess of normal. Would you have been able to take care of the actual amount shipped without providing extra space?—A. Not without extra sections.

Q. I appreciate that you cannot make any firm commitment of this sort but on the basis of other factors being equal is it reasonable to assume that you will provide some extra space next year?—A. Yes.

Mr. Macdonnell: Referring to what you say about your air cargo being greater than competitors, do I gather that is attributable mainly because you have more flights, or is there some other reason? Is it special cargo that T.C.A. can have designated to it by reason of the government?

Mr. McGregor: No, there are no special concessions of that nature. I think it is a combination of both frequency and the fact that T.C.A. probably has stimulated ocean transport more than other companies have so far.

The CHAIRMAN: Airport and airway facilities.

By Mr. Fulton:

- Q. There is a paragraph about the north Atlantic aeronautical radio stations. What significance is there to that section of the report?—A. That signifies that the air line and other organizations were operating a communication channel independently, now they have been consolidated under one agency and we lease the facilities or rather we pay a message rate on those facilities now. It comes under one jurisdiction now and is somewhat tidier.
- Q. Do you think it will represent an over-all saving?—A. I think the cost to the air line is about the same or perhaps even higher at the present time. As traffic grows, presuming it will, the cost should go down.

Mr. Macdonnell: Speaking of the paragraph Mr. Fulton inquired about you said "One agency" but I was not quite sure what you meant. You say here: "They were . . . retained through the administration of the Department of Transport." When you said "agency" did you mean the Department of Transport?