

Mr. MCGREGOR: It was asked this morning, Mr. Hamilton, we don't plan any route extensions of a major character this year. There was the one already mentioned this morning of substituting Timmins for Porquis Junction on the northern route..

Mr. HAMILTON (*York West*): It will be an extension of the east-west route we have now?

Mr. MCGREGOR: I should add, if any new bilateral agreement was negotiated we could consider extending the service in line with the terms which might be provided by any such bilateral.

Mr. HAMILTON (*York West*): I don't know if I am in order at this time on this question. Is the system of feeder lines working in satisfactorily? Does it appear to be giving you enough of the transcontinental type of revenue from the north-south feeder line set-up we have?

Mr. MCGREGOR: I would hope that over the years there would be a considerable development in the north-south lateral operations. The more that feed onto the mainline operation and the more traffic moving from the mainline to the feeder lines the better, of course.

Mr. HAMILTON (*York West*): There are no plans to move into any other category of operations than what we have now which is pretty well east-west?

Mr. MCGREGOR: No.

Mr. HAMILTON (*York West*): Could you tell me this: in connection with the overseas routes has there been any survey made as to where you can pick up the traffic, that is, from the standpoint of east, central and western Canada?

Mr. MCGREGOR: Yes, wherever possible if a passenger simply presents himself at Montreal or Toronto and buys a ticket we don't question him as to where he started his travels but of the overseas tickets that are purchased at points across Canada a careful record is kept of the originating points.

Mr. HAMILTON (*York West*): Can you break that down for us at all as to just what percentage it is which comes from the different and geographical areas of the geographical areas you have?

Mr. MCGREGOR: I can give you a rough approximation. Montreal is the biggest source of trans Atlantic traffic. Toronto is second. I would be in doubt between Vancouver and Winnipeg as to which is the next—I would think Vancouver.

Mr. HAMILTON (*York West*): Have you any idea percentage-wise how much you pick up in those areas, that is, you say Montreal is largest, Toronto next?

Mr. MCGREGOR: We have flow charts. If you will accept just an opinion I would think something like fifty per cent of our trans Atlantic business came from Montreal and probably 25 per cent from Toronto and the remaining smaller percentage making up the 100 per cent.

Mr. HAMILTON (*York West*): Looking into next year's revenue picture do you feel that the remaining 25 per cent will be affected materially by the licensing of the so-called trans-polar route from Vancouver?

Mr. MCGREGOR: We have made an attempt to estimate that. From the whole of the west coast area which we serve including Seattle, Vancouver and Victoria, our trans Atlantic business last year was \$400 thousand in gross revenue. What proportion of that traffic and what might be regarded as normal growth that will be diverted to the Canadian Pacific Air Lines remains to be seen. I doubt if it would be half of it because I don't think the route will be as popular and it does not terminate in a big terminal such as London.

Mr. HAMILTON (*York West*): In other words, it has to fan out from another point in Europe?