

arrangements, it may pay to get an alternative quotation from the line which will actually be doing the hauling.

To avoid delays and extra costs for air shipments you should use the airline which has direct service between the city to which you wish to ship and the city closest to you. (For example, as there is no direct air service from Kelowna to any major U.S. market destinations, it may be much less expensive to truck your goods to Vancouver or Seattle for direct furtherance by air to final destination depending on the frequency of available truck services or the availability of your own trucks.)

Each carrier sets its own liability limits within minimum conditions governed by the Warsaw Convention. However, loss and theft rates for high value goods are lower in the air mode so reasonable insurance premiums are available. Shippers should refer to their transport insurance broker to determine whether private insurance arrangements are preferable to the use of carrier sponsored rates for shipment values in excess of declared values.

Shippers should review the cost of expedited air service rates against inventory savings and associated capital cost savings that can be achieved by using this mode. You must also evaluate available schedules and select the air carrier best fitting your service requirements.

In shipping by air, it will be necessary to define the average shipment configurations (weight; or measurement, i.e., length x height x width) in order to provide the air carrier with necessary data for rate computation. Rates are calculated on minimum densities so that very lightweight commodities with a high cube to weight relationship will be charged on the basis of a minimum density (pounds per cubic unit of measure).

Goods classification for ratemaking purposes in air cargo is much less complex than in the rail and motor carrier modes. It is estimated that approximately 80 per cent of all air cargo moves under general (i.e., FAK - Freight All Kinds) commodity rates, although extremely valuable goods may be assessed at higher rates. Air carriers often offer discounts to encourage movements during certain daytime periods. They also offer directional discounts in order to encourage the loading of their aircraft on predominantly empty flights. Still other discounts are offered for loading goods in air freight containers, of which there are an infinite variety.

Considering cost, speed and liability together, the air freight shipper's choices in declining order of quality are:

1. direct single plane service from origin to destination;
2. indirect single carrier service over a central distribution hub; and,
3. indirect multiple carrier interline routing over a common intermediate point.

The following matrix shows the availability of options from points in British Columbia and Alberta to selected U.S. markets as published in the Air Cargo Guide.

Single plane single carrier air cargo service is available between major centres in