

STATEMENTS AND SPEECHES

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GOVERNMENT POLICY IN ECONOMIC MATTERS RELATING TO AVIATION

An address by the Minister of Transport, Mr. Lionel Chevrier, made at the Annual Meeting of the Air Industries and Transport Association of Canada, at the Seignory Club, Montebello, P.Q., November 10, 1952.

The Record of Growth

When I talked to you two years ago, I described the probable role of commercial aviation in the event of war, and the construction and extension of the airports and airways system. There have been no major changes in policy since that time in those fields; and today it is more appropriate, in view of the current position of civil aviation, to deal with Government policy in economic matters relating to aviation.

The record of growth to which I referred in 1950 is even more impressive today. I was able then to state that domestic aviation revenues in 1949 were 225 per cent greater than those in 1945; for 1951 they were 325 per cent greater than those in 1945. I believe that the total revenues of our commercial carriers this year should exceed \$80 millions, a figure five times greater than that at the end of the war. Revenues have been increasing steadily, between 17 per cent and 20 per cent annually, for the last few years.

I have picked out two examples to highlight the position. Trans-Canada Air Lines will, I expect, have total revenues from its domestic and international services this year which should about equal those of the whole of Canadian commercial aviation, including TCA, in 1949. Canadian Pacific Airlines, the second largest carrier, will, I expect, have total revenues from all its services this year which will be as large as, and possibly slightly larger than, the total revenues from the whole of Canadian commercial aviation in 1945, including TCA.

Two years ago I also noted signs of a more profitable position for commercial air-services in Canada. Since then the industry has emerged into a good profit position - perhaps not as great as you would like but at least enough to make it difficult for you to claim that it is impossible to make money in commercial aviation.

Possibilities of Further Growth

In making plans for the future it is essential to know whether these favourable conditions will continue. I am satisfied that commercial aviation will continue to