

with more than anyone else—there is no pressure, I believe—you tell me if I am wrong—because there is no pressure brought to bear by the government necessarily that insists T.C.A. should service these points in favour of what might be termed a secondary air line.

Mr. MCGREGOR: No, I think that is correct. T.C.A. cannot abandon its service without applying for and receiving the specific permission of the Air Transport Board. This has been done in one case, that of Kapuskasing last year, and permission was granted. In that particular case another airline was willing to take over the licence.

Mr. SMITH (*Calgary South*): That brings me to the question I asked, which was, Mr. McGregor: have you indicated to the Air Transport Board that you are likely to ask for the abandonment of any lines, or that some of these lines should be dropped?

Mr. MCGREGOR: We have indicated to the Air Transport Board that a particular problem exists with respect to what we refer to as "milk run lines," serving these points I have just mentioned in the territory between Winnipeg and Calgary.

This is associated with the fact that we are rapidly retiring all of our DC-3's, and the airports at all but one of these places are such that the runways are too short and too weak to support the Viscount aircraft, which will be the smallest aircraft we will have in operation within the next eighteen months. So that not only are the economics involved in that particular case, but also the feasibility of operation of the equipment we will have.

Mr. CREAGHAN: How many DC-3's have you in operation now?

Mr. MCGREGOR: Nine.

Mr. SMITH (*Calgary South*): Then, the second question, are you planning to request through the Air Transport Board the right to the service of the new international connections, or which of these do you intend to service or can you tell us?

Mr. MCGREGOR: Yes, I think I can. There was only one of the routes involved in the recent modifications of the United States-Canada bilateral agreement that is of definite interest to T.C.A., and that was an extension of the Halifax-Boston route to New York. This we have asked to be assigned to us, and the assignment has been made so T.C.A. will be extending that route to New York in due course.

Mr. SMITH (*Calgary South*): I asked you a year ago, Mr. McGregor—perhaps you will recall—if you had expressed any interest in servicing the Calgary-Spokane route. I have not noticed that you have. Do I take it, therefore, that T.C.A. will not request the right to service that route?

Mr. MCGREGOR: No, that is an assignment, as I understand it, from a ruling to an American carrier. I think it could be served by two.

Mr. SMITH (*Calgary South*): The agreement speaks of an American carrier from Spokane to Great Falls, Washington. The other part of the agreement is a direct route, Spokane-Calgary, to be served by a Canadian carrier.

Mr. MCGREGOR: It that by Western Airlines?

Mr. SMITH (*Calgary South*): One going south to north and one going north to south.

Mr. MCGREGOR: Paralleling each other?

Mr. SMITH (*Calgary South*): That is right.

Mr. MCGREGOR: Yes, I think that is correct.

Mr. SMITH (*Calgary South*): And the question then is, is it not the intention of T.C.A. to ask the Air Transport Board for the right to be the Canadian carrier to service that area?