

Mr. FRASER: Do you give passes over T.C.A. to Pan-American Airways officials?

Mr. MCGREGOR: No.

Mr. FRASER: You do not give them?

Mr. MCGREGOR: A number of American air lines tried to give passes over their lines but we declined them because we do not extend the same privilege in return.

Mr. DREW: In relation to these figures that are included in that overall figure we now have under consideration, you have given an explanation of the reason that there is an anticipated reduction. One of the reasons that you gave was the increase in competition and the existence of new lines. Do you think that the existence of planes with such additional facilities as sleeper accommodation and other conveniences of that kind will have a bearing on the number of passengers that will take one service or another.

Mr. MCGREGOR: I doubt it very much, Mr. Drew. There is a surcharge in effect for sleeping accommodation at the present time and the amount of that surcharge is subject to discussion in I.A.T.A.

Mr. DREW: It is \$25, I think.

Mr. MCGREGOR: It is \$25 at the present time due to the fact that there exists what is known as an open rate situation. \$45 was recommended at an I.A.T.A. conference and approval was not given to it by the Civil Aeronautics Board of the United States because it was thought to be too low, and, because they failed to approve the \$45 rate, it became an open rate, and one of the air lines now charges \$25. That is one of the anomalies that arise from time to time. I really think that having paid around \$300 for his transportation, not many individuals would be inclined to pay another \$25 for the privilege of lying down.

Mr. DREW: It is strange how much people will pay for comfort! Carrying forward the question that was asked in regard to Newfoundland and other points of that kind, is it not possible to have a wider interchange of services available at various airports between aircraft operating companies than exists today? Before I ask you to answer that question I will give you an illustration of what I have in mind. I recall one time last year a machine of Air France was forced to land at Moncton. Certain facilities were not available there, which forced it to double back on its tracks and go back to another airport to comply with the various regulations, to clear its passengers and refuel. I understand that quite recently an aircraft of one of the competing lines landed at Halifax instead of carrying its flight right through and was not able to clear there. Is it not possible to arrange a wider degree of co-operation in that respect than exists today?

Mr. MCGREGOR: I take it you are directing the question to the possibility of arriving at an arrangement with customs and immigration authorities?

Mr. DREW: Which would make certain facilities available there and presumably, with a counterbalancing measure, make certain facilities available to us in corresponding situations.

Right Hon. Mr. HOWE: The difficulty is that there must be a limit to the number of points where Canada can give customs and immigration service. Gander is the principal airport on that North Atlantic route and we have other alternatives to Gander, one at Goose Bay and another at Stephenville and also at Moncton. Sydney is also an alternative airport. At those points we have customs and immigration officials and all the services that are required; but if the airline operators get the thought that they can drop in anywhere and expect customs and immigration service, it just is not available, and to make it available invites them to drop in and keep on dropping in; that is the difficulty. We must limit to reasonable proportions the cost of giving that kind of service.