

Mr. HAMILTON (*York West*): All four of them?

Mr. McGREGOR: All four of them.

Mr. HAMILTON (*York West*): So that was the only place you felt you had planes to dispose of or could afford to dispose of them?

Mr. McGREGOR: Well, really these aircraft translate themselves by a rather involved process into passenger aircraft, because they in turn were replaced by passenger aircraft that had been converted to cargo use in the form of North Stars.

Mr. HAMILTON (*York West*): Was there any other reason that you disposed of them? Were they an efficient type aircraft, or did you find that they were a little expensive to operate?

Mr. McGREGOR: In themselves I would not say they were inefficient, but it is most desirable to cut down the number of types of aircraft that an airline is operating. Three of the aircraft that we are referring to were Bristol Freighters which were, as it were orphans in the fleet, because they were the only aircraft of that type of air frame and that type of engine that we had. That involves the maintenance of a separate stock of spare parts, and the maintenance of crews that are familiar with that type. It is a much more efficient operation from the standpoint of T.C.A. to be operating cargo North Stars along with passenger North Stars than to have, as I say, an orphan type.

Mr. HAMILTON (*York West*): Well, these aircraft that you disposed of, or this type, they were what you would term a short-range cargo aircraft?

Mr. McGREGOR: They were not particularly short-range. They operated on the transcontinental route. They were slower than the other aircraft in the fleet with the exception of the DC-3's.

Mr. HAMILTON (*York West*): They would not fit into the transcontinental pattern, then, the same as your North Stars?

Mr. McGREGOR: Not as satisfactorily as the North Stars.

Mr. HAMILTON (*York West*): No. When did you get these in?

Mr. McGREGOR: I can give you the exact date, Mr. Hamilton. I think we received delivery of them in December, 1953.

Mr. HAMILTON (*York West*): Those were the aircraft, then, that you acquired about the time that your competitor attempted to get in the air freight picture?

Mr. McGREGOR: They arrived about that time. They were ordered previous to that.

Mr. HAMILTON (*York West*): I see, and they are all disposed of now?

Mr. McGREGOR: Yes.

Mr. BYRNE: Mr. Chairman, I would like to ask Mr. McGregor if he feels we are losing much of our traffic to the American airlines in the transcontinental service?

Mr. McGREGOR: We are losing some. Particularly between Vancouver and what we might regard as legitimate Canadian traffic to New York.

Mr. BYRNE: Yes, and is the Northwest Airlines our chief competitor in that regard, would you say?

Mr. McGREGOR: Yes, but not the only one. Northwest is the chief competitor, I would say, because it operates to Seattle which is extremely close to Vancouver.

Mr. BYRNE: You have said that their planes are more or less obsolete or, at least, they have been written off?

Mr. McGREGOR: To a greater extent than our fleet.