A meeting of Council was held in the Privy Council Chamber on Thursday, March 2nd, at 12.00 noon.

The Prime Minister (Mr. King), in the

Government policy on Civil Aviation

- 1. The Prime Minister requested the Cabinet to give special and urgent attention to questions of government policy relating to international and domestic civil aviation.
- 2. The Cabinet, after full discussion, reached the following conclusions:

International aviation -

3. The statement of policy made by the Prime Minister on April 2nd, 1943, to the effect that "Trans Canada Airlines is the sole Canadian agency which may operate international air services" was confirmed.

In accordance with this policy, it was decided, specifically, that Canadian Pacific Airlines should not be permitted to operate lines to the United States (Seattle and Whitehorse).

Domestic aviation -

4. Relationship of Trans Canada Airlines to Canadian National Railways -

It was agreed that the Minister of Munitions and Supply prepare a report upon the separation of Trans-Canada Airlines from the Canadian National Railways, it being felt that the present position gave an appearance of favouring the publicly-owned railway sustem.

5. Civil aviation authority -

It was agreed that an authority should be established to combine "judicial" functions (licensing, etc.) with functions of planning and advice in the over-all field of civil aviation, that the authority should be responsible directly to the Minister.

In this connection, the Advisory Committee on Civil Air Transport was to be directed to submit a report to the Cabinet, with these objects in view. without further delay.

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