

Trans-Canada Air Lines Act

have the same lean-back facilities, and I could see no difference at all.

While I was out there I inquired about the economics of these coach-class flights and I was informed by air line officials that the return on the coach-class flights is just as satisfactory as it is on the first-class flights. The reason is that the extra row of seats is substituted for the freight which, I understand, is usually carried by large United States aircraft; and that gives a better pay return. Also, the coach-class flights are usually filled to capacity because of the much cheaper rate.

Many people who would otherwise not be able to travel by aircraft are able to travel coach class, instead of having to go by bus or train. First-class flights are very often only partially filled, and that is a very important factor. As I say, the air line officials with whom I talked told me they received just as good a return per flight on the coach class as on the first-class flights.

I believe this is something which deserves a great deal of attention by the Trans-Canada Air Lines directors, and I sincerely suggest that we introduce this kind of service into Trans-Canada Air Lines, because I believe it would bring air travel much more within the reach of people who otherwise are not able to travel by aircraft.

At present the only people who can afford to travel by air are businessmen and government officials who are on expense accounts, or people in the middle or upper income brackets. People in the lower income brackets simply cannot afford to travel that way. I think we should remember that Trans-Canada Air Lines is owned by the people of this country, and we should do everything possible to bring that service more within the reach of the shareholders of the line.

Mr. Howe: Might I just say one word here, and I will not delay the committee. We know all about coach travel, of course. Its introduction into Canada is being studied. There are, however, substantial differences in that density of travel is much greater in the United States. I suppose that coach travel there carries about one-fifth of the passengers that travel by air.

If we had ten services across the country we might put two of them into coach travel. However, we are building up our traffic and there is no resistance at the moment to the fares which Trans-Canada Air Lines charge. My hon. friend says the ordinary man cannot afford to travel on Trans-Canada Air Lines. If he can afford to buy a berth on a train he can afford to travel by Trans-Canada Air Lines because, after he pays for his berth and

his meals there is very little difference, and perhaps the difference is in favour of the air line.

We have coach travel across the Atlantic, and we have no first-class service on that route. While theoretically you can put in enough extra passengers to make up the difference in fare, that assumes that you have a pressure for travel that will allow you to fill planes. I doubt if there is any route where we have that kind of pressure for travel. We certainly have not got it on the north Atlantic, for our density of traffic was just as great at the higher rate as it is at the lower. We have turned an operation that was getting out of the red and into the black back into an operation that is deeply in the red. However, we think adopting the coach service is the only thing to do considering the competitive situation on the north Atlantic.

I can assure my hon. friend that we will go into coach service just as soon as we get the type of equipment that is suitable for that conversion and just as soon as we feel that we have a volume of traffic that will allow us to fill airplanes equipped for coach travel.

Mr. Macdonnell (Greenwood): I would like to ask the minister a question having regard to the answer he gave to the member for Winnipeg North Centre. It is this. We do have competition between the railways, and I believe they feel it is good. The chairman of the Canadian Broadcasting Corporation spoke about the usefulness of competition. I wanted to ask the minister whether the policy enunciated by Mr. King might not be changed, and whether we might not reasonably look forward to a time when there would be enough airplane traffic for more than one company.

Actually there is competition now in bits and pieces, you might say. The minister gave an illustration of one area in which there is competition. I do not want the record left in such a way, unless the minister feels it must be left in that way, that there is no question but that the monopoly of the Trans-Canada service has to be permanent. I hope it does not have to be permanent, and that it will change with the circumstances.

Mr. Howe: The hon. member is quite right. This is a thinly settled country. We have air services that are essential to the economy. However, today air transport in Canada is not competitive, or is competitive in only a few cases, whether public or private. If an air line company is assigned to a territory, that is its territory and no one else has a right to operate an air service in it. I believe that is a sound policy at the moment. If sufficient