

Mr. MCGREGOR: That is right. There were several provisions made in the 1949 budget for equipment which has since come under further development; and our feeling is that heavy expenditures in respect to communications equipment, in this stage of rapid transition and development in the art, would be unjustified.

Mr. FRASER: You want to make sure that it is the right thing before you put it in?

Mr. MCGREGOR: Yes.

Mr. FRASER: You have got some new equipment during the past year that was put in to facilitate plane landing?

Mr. MCGREGOR: No.

Mr. FRASER: Did you not get some such equipment as that?

Mr. MCGREGOR: Most of the equipment in there is for the installation of VHF ground stations for voice communication with aircraft. It is free from interference by static.

Mr. FRASER: You mean for guiding in?

Mr. MCGREGOR: I mean for actual conversation between the aircraft and the ground.

Mr. FRASER: For landing and taking off?

Mr. MCGREGOR: No.

Mr. FULTON: How is that apportioned between the Department of Transport and TCA?

Mr. MCGREGOR: The communication facilities of the company are entirely operated by TCA. But the communications of a general airway character such as landing assistance devices, to which we have just referred, are Department of Transport entirely.

Mr. FOLLWELL: As to beam points, you usually fly on a beam?

Mr. MCGREGOR: Always.

Mr. FOLLWELL: That is not included in it?

Mr. MCGREGOR: No. All beam installations on the ground are Department of Transport, while the receivers used in the aircraft are our own and provided by us.

Mr. DREW: Again, in the case of item 4, we have the same situation where you estimated last year for an expenditure of \$124,364.35, but there was an actual expenditure of only \$29,741.64, which leaves an unexpended balance of \$95,000. Now, I see that your total estimate for 1950 is \$36,925.41; so your estimates for this year are substantially less than the unexpended part of your estimate for last year. What were the kind of things which you did not take up last year?

Mr. MCGREGOR: I believe I just answered that question.

The CHAIRMAN: Yes.

Mr. DREW: That has specific reference to those things which you did not buy last year and which you are still waiting for?

Mr. MCGREGOR: That is correct.

Mr. DREW: I am only looking at this from the point of view of the effectiveness of budget procedure. Is it not possible that some of those things will reach a point this year where you would wish to obtain them?

Mr. MCGREGOR: It seems doubtful. This matter of the type of air to ground or ground to air communication has to be reasonably universal because we fly aircraft into several countries, particularly into the United States, and the type of equipment which we adopt must be satisfactory for use with the ground installations wherever we take the aircraft. We have to be very sure