734 FLIGHT International, 8 November 1962

AI R COMMERCE.. .

WH Y DO SOM E AIRLINE S BOTHER?

CANADIAN PACIFIC AIRLINES carried a total of 423 passengers into Australiaand418 out in 52 flights during the year ended June 30. This was an average of eight passengers in and out of Sydney for each flight—including non-revenue traffic. This is revealed in figures just released by the Australian civil aviation authorities. An interesting sidelight on the Australian operation is shown in the BO AC figures for the same period: 12,271 passengers, 402 tons of mail and 232 tons of freight were taken into Sydney and Mel-bourne, but only 7,859 passengers went out, with 235 tons of mail and 167 tons of freight. These figures were for 332 inward and 333 outward flights.
Air-India made 53 flights each way and carried 1,236 passengers in and 1,164 out. Alitalia flew 49 operations carrying 1,795 pas-sengers in and 1,337 out. KLM made 53 return flights for 3,476 inward and only 1,834 out. This is due to a number of migrant charters. Pan American flew 147 journeys to Sydney and brought 5,019 passengers, while the 145 outward flights lifted 4,959.

Moscow - Khartoum Air Service An agreement between Russia and the Sudan for air services between the two countries was signed in Moscow on October 22. Aeroflot Il-18s will fly once-weekly.

Much time has been devoted in the D.H. Trident test programme to the perfection of low-speed flying characteristics, most of this work having been carried out by Peter Bugge on Trident 01 G-ARPA. Original wing profiles have been confirmed as satisfactory; some modifications hove been made to the shape of the slat on the double-slotted flaps, clearly shown in this picture, and also to the range of movement and span of the drooped leading edge. (See Trident Trials, page 736)

FARES UP 55 PER CENT UNTIL 1965

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ESPITE strong pressures for the complete elimination of return-fare discounts, the IATA joint traffic conference at Chandler, Arizona, ended on October 30 with agreement, after five weeks, to reduce these discounts from 10 per cent to 5 per cent. Because the majority of people buy return tickets, this reduction adds up to an across-the-board fare increase of 5J per cent.
To have achieved this without actually announcing an increase
in fares is entirely thanks to the existence of the return-fare discount. Many airlines were questioning the need for a discount at all —recalling, perhaps, the way BEA eliminated it from their United Kingdom domestic tariffs about two years or so ago, when return fares were made simply double the single fares. This stage has not yet been reached by IATA, but this first reduction of the return dis-count is seen as a move towards "double single" return fares. Obviously, IATA retain up their sleeves, without actually having
to announce a fare increase, another across-the-board increase of —if our arithmetic is correct—5£ per cent.
The airlines have also agreed to cut down on frills, though little was made of this in the formal statement. Nor was there any mention of the naughty airlines who undercut—though action was taken, as BO AC issued a statement publicly welcoming "firm action taken by the conference to make provision for carriers to deal with malpractices." The day will no doubt come when national airlines are able, when agreements have been reached, to issue detailed statements of what the fares decisions mean to their own public without risking an IATA fine.
The second most important agreement, or rather series of agree-ments, is the wider application of group fares. Indeed, the IATA news bulletin opens with the only low fare news of the year: "The scheduled international airlines have voted to spread new low group fares around the world and to provide a wide variety of other new promotional discounts to develop and expand tourism." This may be regarded as a move, a matter of pretty universal concern at Arizona, to counter the depredations of the non-IATA airlines—just as group fares began on the Atlantic route on March 1 last—as a counter to the success of non-IATA charter business.

Once again the Atlantic route has proved to be a fares innovator. The airlines decided, apparently without much argument, to drop "spontaneous" groups: these have proved rather less spon-taneous than had been hoped. Although new group fares were introduced between the USA and the Caribbean, Europe and the Middle East and Africa, and Europe-Asia-Australasia, trans-Pacific and round-the-world, transatlantic route fares have, in addition to the elimination of spontaneous groups, been raised from $300 to $310 basic.
As expected North Atlantic excursion fares have been extended both in validity and availability—from 17 to 21 days, and for seven months of the year, from October 1 to April 30. Hitherto these

excursion fares have not been normally available after March 3 There was also quite a battle for lower propeller fares on th North Atlantic, said to have been waged mainly by Pan America and SAS, in an attempt to bring fares down to the levels of th grudgingly tolerated non-IATA carrier Loftleidir. No new fare reductions were, in the event, adopted; but the 7i per cent econo propeller differential agreed in 1959 was retained, as was the first-c propeller discount of 11 per cent. BO AC did not, it seems, figh

for a larger propeller differential as a means of keeping their Britannia 312s at work; but this was no surprise in the light of commen
by Sir Basil Smallpeice (Flight International, October 4, page 551 BOAC have gone along with the propeller status quo, which is be valid until February 1964, after which date propeller aircraf may offer greater seat-spacing at jet fares. (At the present tim seat-pitch and standards of service are in general the same for bo If the whole conference had to be summed up in one senten

this could well be: Fares were agreed in a way that craftily recociled good public relations with a higher revenue rate; and promotional fares were extended in an attempt to meet the low-fare copetition of non-IATA carriers. It is, above all else, the competition

of non-IATA carriers (using cast-off IATA equipment) that drives IATA prices down.
Agreements generally covered the two-year period April 1 1963, to March 31, 1965, and all fares are of course subject government approval.

Cargo Rates Delegates unanimously approved a new pattern world wide rates to come into force on April 1, 1963. The presen system of commodity rates with weight-break points continues but with small increases in general cargo rates.
Over the North Atlantic, rates for consignments below 500kg are increased by varying percentages at different weight brea Rate reductions above 500kg are abandoned, but from 7,000

27,500kg rates are reduced at five points down to 3s 6d. per kigramme. The previous lowest rate was 4s lOd per kilogramme.
To promote cargo traffic between the Americas, northboun

rates from South America are cut up to 70 per Cent, and the weigbreak points have been brought into line. No change is made
the present rating system in Europe, Africa and the Middle Eas which was agreed at a special IATA conference earlier this year, b on routes between these areas and Asia (including Australia) ra are increased 2 per cent eastbound and 5 per cent westbou

The general rate increases and revised structure will also be intduced over trans-Pacific routes. IATA are also going to study th
possibilities of special discount rates for high-density cargoes. The new rate-structure will increase freight income from the les rate-sensitive commodities, whilst the very competitive rates a the high-weight break points should please bulk exporters.