

DEBATING the B.O.A.C. BILL

Criticisms and Explanations

IN moving the second reading of the British Overseas Airways Corporation Bill last week, Sir Kingsley Wood outlined the main reasons for its introduction. He believed that the Government's proposals were the only ones which would advance British civil aviation and permit a really far-sighted policy. Among the more important advantages was that of the pooling of experience, equipment and technical resources of the two companies, British Airways and Imperial Airways. There were dangers in a monopoly, but those of competition were even worse. Competition had been tried and it failed.

The new Corporation mandate, he said, was that of securing the fullest developments consistent with economy—whereas Imperial Airways had been asked to use its best endeavours to make its services self-supporting at the earliest possible moment. Consequently, the emphasis had been laid on cheap flying rather than on aeronautical progress. Both the two chosen instruments had large and important schemes for expansion in view which required big increases in capital. It was obvious that, in the public interest, this capital should be raised and remunerated on the most economical terms. The new Corporation was accordingly allowed to borrow by the issue of Airways stock, the principal and interest being guaranteed by the Treasury. The total amount would not exceed £10,000,000, and about £7,000,000 would be issued in the first instance—£3,500,000 for the purchase of the concerns and a similar sum for immediate development, including the purchase of new machines. The annual subsidy would not exceed £4,000,000, and this would be paid until December, 1953. Previously the maximum had been £3,000,000.

The Corporation would continue the present services of the two companies, but arrangements had already been made for new services to be started in Europe, on the Trans-Tasman route, on the North Atlantic, to West Africa and across the South Atlantic. A Trans-Pacific service was also in contemplation. Until March 31, 1941, the Corporation would be paid a subsidy based on the actual deficiency in operation, but after the initial period the arrangements would be made for three-year periods in order to give the Corporation a good chance of planning ahead.

Encouraging Efficiency

An important provision was that which enabled the Corporation to place to the credit of its own general reserve account any excesses of revenue achieved as a result of efficient administration. The resulting fund would be at the disposal of the management, and would provide a stimulus for efficiency and progress. With regard to the prices paid for the two undertakings, Sir Kingsley said that these had been agreed to after protracted negotiations, with the advice of the Treasury and after a careful and detailed investigation. The Government believed them to be fair and reasonable. He pointed out, too, that the development of the two companies had been undertaken by the shareholders at their own risk, and stressed the fact that subsidies were paid for services performed and were not loans or temporary grants.

Sir Kingsley then went on to explain the composition of the new Corporation, which was given in *Flight* of June 15, and added that the most important need at the moment was for new machine types. Accordingly, earlier this year he had appointed a small committee to advise him on the best method of encouraging civil aircraft development. In the past, three

methods had been tried, that of leaving the initiative to the industry, to the operating company, and to the Air Ministry. None of these methods had succeeded. Consequent on the recommendations of the Brown Committee, a permanent Civil Aviation Development Committee would shortly be set up. Its function would be to co-ordinate the needs of airline operators so that construction might be concentrated on a relatively few types. The committee would be independent of the Air Ministry, but would work through the staff of the recently formed Directorate of Civil Research and Production.

Obviously a great deal would depend on the co-operation of the airline companies, and he considered that endorsement by the Committee would normally be essential for any project requiring public assistance. The Government had also accepted the recommendation that civil types should, where practicable, be used by the R.A.F., and, following this policy, an order had recently been placed for a certain number of D.H. Flamingos. So far as research and development work was concerned, it was primarily the obligation of the manufacturing and operating industry to finance this work.

During the debate Mr. Lees-Smith was critical of the proposed Corporation and moved an amendment rejecting the Bill. He said that it would be more like a branch of the Air Ministry, but not subject to the same control. He alleged, too, that some £600,000 more was being paid to the shareholders of Imperial Airways than actually needed to be paid.

Paying for Prestige

Supporting the Bill, Lt. Col. Moore-Brabazon said that at last we were going to see a divergence between civil and military aviation. Every British machine flying abroad was helping our prestige, and it was necessary that these machines should be the finest available. The Marquess of Clydesdale had certain doubts about the Bill and cited the case of the private American airlines which, he said, were the most efficient in the world. He said, too, that there appeared to be a real danger that the Corporation would interfere with internal airlines. Sir E. Grigg, in support of the Bill, was glad to learn that representatives of the Dominions and Colonies would be on the board of the Corporation, but he thought that too much power was being given to the Secretary of State for Air. Mr. Perkins' remarks can best be summarised by his opening statement, in which he said that the present situation in civil aviation was so bad that any change would be better than no change.

In his reply to criticisms, Capt. Balfour, the Under Secretary of State for Air, explained the details of the "fair-price" arrangements, proving that there could have been no manipulation or any appreciable buying or selling of shares. Wishing to assure both himself and the Government that the price paid to British Airways was correct, three independent gentlemen had been asked to examine the final offer.

The Corporation had power to run internal airlines, but only subject to the specific permission and support of the Secretary of State for Air. It was necessary for the Corporation to have wide powers which it might never use. The Government particularly wanted the Corporation to be a live body and not "a home for retired gentlemen." When we had got through the difficult initial period, he was convinced our civil aviation would lead that of the world, though it would take two or three years yet to remedy the present situation.

The "Calpurnia" Accident

EXTREMELY difficult weather conditions have been given by the Air Ministry Accidents Department as the prime cause for the disaster to the Short *Calpurnia*, which was wrecked on Lake Habbaniyah last November. It appears that bearings and other messages sent to the machine between 3.19 p.m. and 3.34 p.m. were, because of atmospheric conditions, not received, and the captain, who lost his life, came down very low in the darkness and bad weather in order to fix his position by ground observation.

During this period he failed fully to realise how dangerously low he was, and the machine struck the water with the engines running at full power. The Chief Inspector of Accidents advises an improvement in the radio organisation on this particular sector, and proposals for the modification of the control organisation are now being considered by the Iraq Government.

Supercharging the Stratoliner

ON June 20, Mr. E. T. Allen took the Boeing Stratoliner up on its first test flight with the cabin supercharging equipment in action. Pressure was held at the equivalent of that at 9,000ft. up to an altitude of 16,500ft., and apparently everything went well. In the Stratoliner the altitude pressure system consists of mechanical blowers which increase the pressure of the air as it enters the machine's ventilating system; automatic control valves are used for regulation, and two entirely independent supercharging and regulating systems are fitted, either one of which is capable of doing all the necessary work.

One advantage of pressurisation which is not usually mentioned is that it enables very much more rapid descents to be made without causing trouble to the passengers. On this particular flight the descent from 16,500ft. to 6,000ft. was made at the rate of 600 ft./min.