

Passengers embark at London Heathrow on the inaugural BEA Vanguard "VLF" (twopence-a-mile) night flight to Glasgow and Edinburgh on November 1. A note about the event is on page 745

AIR COMMERCE...

BRITISH UNITED'S REPORT: A POSTSCRIPT

THE publication by British United Airways of its Report and Accounts, analysed in last week's issue, is a welcome innovation in the history of British private aviation enterprise.

With so much evidence of airlines having over-equipped with new jets the public is interested to know how this will affect them. Will it mean an airline get-together to put fares up? Or will it mean many companies going out of business—and an even tighter grip by the remaining companies through IATA's fare-fixing machinery, and through pooling agreements?

If the smaller private companies can operate at lower cost levels than the big flag lines, the public will not take kindly to fare levels established by price-fixing organizations to protect the expensive practices of the more lavish operators.

In the United Kingdom it had been hoped that a large part of the cut-and-thrust of the public hearings of the new Air Transport Licensing Board would have been devoted to the open exposition of different economic theories. In the event, it seems to have been accepted that the economics of air transport is a private matter between the operator and the Board. Operating cost and profit/loss estimates are contained in private "submissions" to the Board. For example, BEA was prepared to tell the Board about the costing of its new bargain-basement night fares to Scotland, provided they remained confidential. What is the reason for this apparent shyness? The main interest of the public in ATLB hearings—to see that under the new deal, they, the customers, are getting the benefit of all the new opportunities offered by modern aircraft—is thwarted.

So any move that makes the public (which include passengers, politicians, financiers, manufacturers and so on) more knowledgeable in these respects is very welcome. The public has the right to full information about licensed public transport operators—and this goes for the secret air operator's certificate too.

The pity is that British United, having decided to make its accounts public, did not present them in a way the ordinary citizen can understand, and especially in a way which isolates the results of the public transport section of its activities. In his covering letter the chairman, Mr Myles Wyatt, indicates that the report was being issued because "Airlines as a whole seem to dwell more upon their losses..." the implication being that BUA as an airline operates profitably. The report is not precise on this point. It merely shows that it is possible for private capital to invest in air



transport and allied aviation activities and make some profit. It indicates that diversification—geographical and operational—enables setbacks in one part of the industry to be offset by windfalls in another part.

Perhaps British United is now prepared to be much more specific about its own airline results, so that the public can see whether the practices leading to those results qualifies the airline to operate routes in parallel with the corporations, and more economically. There are a number of points that the airline could now clarify without giving away any secrets of its expertise in aircraft operations.

For example, what profit or loss did its air transport operations contribute to the results? Did Channel Air Bridge make money? Did Straits Air Freight Express? And it would be helpful if operating costs were given, and broken down, and similarly revenues for each category of operation. These, after all, are the kinds of figures which the Board is interested in, and the object of public hearings is thwarted if companies are not prepared to account publicly for themselves, as every US carrier—down to the smallest "supplemental"—is required to do each quarter by the CAB.

In fact, the time has arrived when the Board should insist on companies' accounts being produced (including those of BOAC and BEA) in standard form, as is done in the USA, with certain items such as depreciation being on a formula basis. This would require changes in the Companies Act; but laws which protect companies unable adequately to finance public transport operations are not good laws. Clearly, this does not apply to BUA.

Still, British United are to be commended on taking this unusual step. It will be of inestimable benefit both to the industry and the public if it leads to *encouragement des autres*.

BREVITIES

Bonanza Air Lines has taken up its option on a tenth Fairchild F-27A

Air-India has confirmed an order for two further Boeing 707-420s to bring its fleet up to six. Deliveries will be made in March and April next year.

BEA is to resume services to Helsinki after a lapse of ten years. Comet 4Bs will operate four times a week to the Finnish capital, as an extension of the non-stop London-Stockholm service, next April.

British Railways announce that a trip-wire device has been installed along the boundary of Southend Airport to set signals at danger should an aircraft overshoot the runway and block the line, as happened last year.

Mr J. R. Batt of Aviation Traders (Engineering) Ltd writes to correct a statement in Stanley Brogden's recent article "Australia's Domestic Airline Operations" that Ansett has an engineering subsidiary in Hong Kong which has rights for Carvair conversions. All rights are at the moment confined to Aviation Traders (Engineering) Ltd.

Sierra Leone Airways, which is managed by British United, is to begin a new non-stop weekly Britannia service between London and Freetown on November 16. Operations began with Twin Pioneers on domestic routes last March. A Heron is to augment these services this month.

BOAC is to introduce Boeing 707s on some eastern route services to Hong Kong and Singapore "early next year." This will release Comets for deployment on routes to West Africa. Comets will replace Britannias chartered to Nigeria Airways on Lagos-London, and will also displace Britannias on the London-Lagos route.

Information is now available from IATA about traffic in the peak North Atlantic season, i.e., during the third-quarter months of July, August and September. Revenue passengers amounted to 690,722 (90 per cent of them economy), an increase of only 3.1 per cent on the corresponding period last year. At the same time the number of seats offered were increased by 34.8 per cent, causing load factor to fall by 16.1 points to 52.6 per cent.

Work is in hand on the extension of Nairobi Embakasi's main runway to 13,500ft. Work is expected to be completed before the end of next year.

A Panair do Brasil DC-7C on a flight from Lisbon to Recife on November 1. Of the 76 passengers and crew of nine on board, 48 are reported to have been killed. One report said that the survivors included two of the crew.

British United Airways Viscount G-AODH crash-landed during an ILS approach monitored by GCA at Frankfurt Airport on October 30. The aircraft was extensively damaged. A stewardess and a passenger were injured. Commander of the aircraft was Capt D. A. Woolfe; the aircraft was on a flight from Berlin to Frankfurt on a BEA charter.

Handley Page Herald 200 G-ARTC left Hurn on November 6 on a 12,000-mile, five-week demonstration tour of southern Europe, the Near East and East Africa. Ten Handley Page staff led by Mr J. W. Allam were to be on board. Among the places to be visited are Rome, Pescara and Taranto (for demonstrations to ALI Itavia), Ethiopia, Aden, Sudan, Cyprus, Jordan and Switzerland.

A Silver City Bristol 170 Freighter Mk 32, G-ANWL, overshot the runway at Guernsey while landing in fog on November 1, and crashed three miles north-west of the airport. The airline's senior pilot, Ft Capt G. Hogarth, and First Officer D. C. Evans were both killed. The seven passengers and the steward escaped serious injury. Three cars on board the aircraft, which was on a flight from Cherbourg, were badly damaged. This was Silver City's first accident in more than 250,397 cross-Channel flights since 1948.

More than 1,000,000hr have been recorded by Boeing jet airliners since the first 707 went into service with Pan American on October 26, 1958. Some 95 per cent of this total represents revenue hours. A total of 29,421m passenger-miles have been flown by Boeing jets.

Pan American's 52 Boeing and Douglas jets have flown more than 240,000hr, and have carried almost 20m passengers, since services began on October 26, 1958. Inflight engine failures have been experienced by PanAm once per 40,000hr and inflight shut-downs have been necessary once every 5,000hr.