

BEA AND THE "HALF-FACTS"

IN THE LATEST ISSUE of the *BEA Magazine*, Sir Anthony Milward, the airline's chairman, has some trenchant comments to make on the lack of, and need for, maximum information from all airlines. He takes as his starting point the leading article in *Flight* for December 8 ("The Information Desert") in which we challenged the fairness of some figures of relative efficiency published in *British Eagle News*, the airline's staff newspaper.

An effort was made in this publication, writes Mr Milward, "to measure the efficiency of Britain's airlines with, I need hardly add, the deduction that BEA is the least efficient. From time to time I have had a difference of opinion with many of *Flight's* conclusions, but with regard to their view I am in full agreement. The major point that *Flight's* article makes is that Eagle 'compares the known with the unknown' and this is important because many of our passengers believe much of what they read in print. It is the easiest thing in the world to talk about one's own efficiency when one doesn't have to prove it by producing one's own figures. I am very sorry to say this is the state of affairs with which BEA is confronted in licensing arguments when opposed by, or opposing, most independent operators. . . .

"In BEA we have always published full and complete traffic and financial figures and have taken a pride in presenting to the Government and public an Annual Report upon which we can be fairly judged. But how can we be fairly judged when our competitors do not do likewise? How splendid it would be if the ATLB were to rule that in future no licence would be granted to any operator who did not produce in public facts and figures just as informative as those contained in the annual reports of the two Corporations—then we should be getting somewhere.

"Comparison of efficiency in airline operation is in any case extremely difficult to make and nearly every method produces an inaccurate comparison because of the different networks, methods of operation, aircraft used and stage-lengths involved.

THE TEES-SIDE DECISION

FOUR principal questions were considered by the ATLB before the decision (see last week's issue, page 1083) to grant the application by Autair International Airways for a licence to operate between Tees-side (Middleton) and Luton/London and to refuse those from BEA and British Eagle. These questions involved the relative attractiveness of the proposed service to the passengers; the probable viability; the likelihood of unbroken operation of the service; and the prospects for the development of direct international services by the chosen airline from Tees-side.

The ideal London-Tees-side service, the board comments, is one which provides early morning and evening services in each direction. As this would require a two-aircraft operation it would not be economic at this stage. The question then is whether the interests of the Tees-side or the London passengers should be given priority. The board considers that the service is primarily a facility for Tees-side; so the service should be Tees-side based. This ruled out BEA, which proposed a London-based service.

On the question of prospective viability, the board says that "the advantage lies with Autair with its smaller-capacity aircraft and lower break-even point. Both BEA and British Eagle would seem to depend on a steady growth of traffic which . . . may not be fully or quickly realised. Autair would not be so dependent on this growth rate."

Dealing with the final two questions the board comments: "We were satisfied that both BEA and Autair were ready and willing to start the new service within days of our decision, irrespective of any possible appeal proceedings, but noticed some hesitancy to do so and less sign of preparation on the part of British Eagle, although we were assured by their rep-

resentative that they would start on January 1, 1967. Both BEA and British Eagle refused to commit themselves on any future plans they might have for developing continental services from Tees-side, whereas Autair clearly had such plans and had already applied for one such service and also a service to the Channel Islands."

As to the relative merits of London Heathrow and Luton Airport (with a coach service to and from Autair's Finchley terminal) the ATLB does not consider that, for London passengers, there is much to choose between them. The objection to the use of Luton by interlining passengers is described as "serious," but the board considers this will be of declining significance with the expected increase in direct international services to and from the north-east.

In dealing with the prospective viability of the services, the board does not directly refer to the fact that BKS pulled out of the operation for economic reasons. The board comments that, had the applications been for a new service, "we would have been inclined to refuse them all in favour of British Rail," which is to operate a 3hr 10min London-Darlington service from March this year. BR had objected to all applications.

Footnote Since the ATLB's decision, BEA has been discussing with Autair the interline arrangements for passengers connecting with BEA services at Heathrow. Both airlines are endeavouring, says BEA, to give Tees-side, particularly its business travellers, at least as good a service to the Continent as they have had in the past. As a start, Autair has already arranged for a connecting coach link (free to interline passengers) between Luton Airport and Heathrow. Autair is also discussing, with the British Airports Authority, arrangements for free coach facilities from Heathrow to Luton.

It is certainly unfair to compare (as revealed by the latest IATA statistics) BEA with its average stage length of 313 miles with BOAC (1,532 miles) or British Eagle (1,186 miles) because it is patently obvious that the capacity production is much greater as the sector length increases. Again, BEA operates a 99 per cent scheduled operation as against British Eagle who only operate 9 per cent on a scheduled basis, so the difference in station cost figures alone make any comparison not only invidious but invalid.

"It would, for instance, be interesting to see a comparison of the station costs per passenger carried between a route such as London/Paris, with costs occurring every 200 miles, and those of an operation, such as Eagle's, carrying emigrants from London to Australia, but, as they are not published we can only guess!

"Of all the measurements of comparative efficiency between airlines, load ton-miles per employee must be by far the worst—they can be bent and twisted as you will. The formation of a subsidiary company to do your catering may result in a few hundred employees being 'removed' from your payroll overnight. Although this may put up your costs, by this curious statistic you suddenly become more efficient!

"Coming nearer to home, and still pursuing this argument, BEA's continuous policy, followed on excellent cost grounds, of doing more and more of its own engine and component overhaul work must apparently reduce our efficiency because we take on more staff without increasing LTM. Eagle don't even overhaul their own engines—does this make them more efficient? Really!

"I apologise for wasting so much of this valuable page over such nonsense, but it was worth saying because it is all part of the old campaign continuously carried on in this country to prove that only private enterprise is efficient.

"As *Flight* says, 'in this information desert half-facts flourish,' and I do not need to add that half-facts are not part, or ever have been part, of BEA policy."