



At a special ceremony at the de Havilland Bankstown works last month the Log Books of A79-602, the first of the new Vampire Mk. 35 Trainers to be handed over to the RAAF, were presented to the Minister for Supply, Mr Howard Beale, by the DH general manager, Mr D. H. McLachlan. A79-602 is shown above shortly before its first official flight.

overseas income tax, there was a net operating profit of £484,477. This showed a return of 7% on paid up capital—shown at £7,200,000 this year against £6,500,000 last year—but the position is even better when considered against the facts that fixed assets, at cost less depreciation, are shown this year at £18,944,543, against £15,308,943, with a development reserve of £898,777, compared with £450,000, and other reserves increased to £8,305,960 from £6,232,168.

Traffic was buoyant, aided in some degree by the international traffic generated by the Melbourne Olympic Games, and passenger miles flown (with 161,243 passengers against 134,904) totalled 426,410,107 compared with 320,261,674; cargo ton miles jumped just on one million to 10,507,651, and mail ton miles went up from 7,527,934 to 9,181,382. Total revenue ton miles advanced to 64,019,696 from 50,338,956, with a load factor of 61.9% compared with 60% in 1955. The route mileage decreased slightly but both miles and hours flown were up.

An interesting factor was the big increase in tourist class travel. The report shows that 51% of travel on the company's international routes was tourist. The revenue returns compared with the previous year's were affected by increases in fares and freight rates during the year. Australia-USA first class fares went up 3.7%, and Australia-Europe fares by 10%. On some sectors tourist fares increased 5%, and freight rates also went up 5%. However, QEA claims that average first class fares on their routes have risen by only 16% since 1947—from 7.6d. a passenger mile to 8.8d. In the same period cargo rates decreased about 46%. Staffing increased slightly from 5535 in 1955 to 5867, but capacity ton miles per employe jumped from 15,559 to 18,148.

A breakdown of route revenues shows that the Kangaroo route to Europe and the United Kingdom is still the biggest money earner with £10,842,797 (£8,686,104 in 1955), compared with £3,264,711 (£2,262,643) on the Australia-America route. The big increase in percentage on this latter route is interesting in view of the recent USA traffic rights agreement. The Hongkong and Japan service was the only route to show a fall in revenue, and this was slight—£1,455,243 compared with the 1955 result of £1,472,922.

In view of the rumor that QEA may surrender its Papua-New Guinea services to an Australian domestic operator—rumors that have no official backing as yet—it is interesting to note that services between Sydney and these areas yielded £1,008,649, compared with £863,723 the previous year, and internal services in the territories earned £715,865 in revenue (£692,665).

On the fleet side the year was highlighted by the placement of the order for seven Boeing 707/120 jet airliners, with deliveries to begin in May, 1959. Two new Super Constellation 1049H cargo/passenger aircraft were delivered late in 1956.

On the same day the report was tabled it was announced that by next January QEA would offer direct overseas connections from Melbourne, Perth and Brisbane. These developments are in line with the traffic rights granted under the new agreement with the United States, and are expected to follow the introduction of services via the USA to London about December.

Negotiation of traffic rights at London to permit termination of this service there are now in train. The chairman of QEA, Sir Hudson Fysh, and chief executive, Mr Cedric Turner, have been in London since the beginning of September and the talks were initiated there, on behalf of the Australian Department of Civil Aviation, by the Superintendent of International Relations, Mr J. T. Fogarty, and the Superintendent of Economic Investigations, Mr Chris Smith. Late in the month the Director-General, Mr Don Anderson, who headed the

talks which produced such a successful result in America, also flew to London.

Though, as the Prime Minister pointed out in his aviation policy statement, it is not expected there will be any obstacle raised by the United Kingdom to the grant of these rights, it is also fully realised that they are vital to the plans of QEA to inaugurate the first round-the-world service. Some concessions will have to be made to United Kingdom opinion in the course of the negotiations, and it is not to be forgotten in this connection that it is not many months since Australia rejected an application by the British independent airline, Britavia, to operate an all-freight service from England to Perth. If this question is again raised in the UK, where it is understood the original application had the backing of the Ministry of Civil Aviation, there may be a different result—and QEA will have to be prepared to compete. As an initial inducement to the UK Australia is offering traffic rights into Sydney for a service via New York and San Francisco, though this would have value to England only if the USA eventually permits BOAC the necessary rights.

RECORD PROFIT FOR TEAL

A record net profit of £236,000 (£A295,000) was shown on TEAL's balance sheet for the year ended March 31, according to a statement made in the NZ House of Representatives by Minister for Civil Aviation, T. P. Shand. The profit resulted after providing £158,000 (£A197,500) for obsolescence. The Minister revealed that TEAL had now repaid £600,000 of £750,000 loaned by the NZ State Advances Corporation. The balance was to be paid back during the current financial year. Gross revenue increased from £1,900,000 to £2,300,000. Operating costs came down from 44.3d. per capacity ton mile to 43.4d. The opening of the Auckland-Melbourne link increased route miles by 1641. This route was operated experimentally in February and March and flights will resume in November. Outside contract work done in TEAL's workshops was worth £290,000. During the year trans-Tasman traffic increased from 39,000 to 49,000, a contributing factor being the Olympic Games in Melbourne. There was an increase of 26.1% in the passenger traffic on the Tahiti service and the loss in this department was reduced from £53,400 to £48,000.

TEAL is registered as a limited liability company and it shelters under the privileges belonging to private companies; detailed balance sheets are not published. Successive governments have ignored this anomaly. Public funds are invested in a private company and the subscribing taxpayers in NZ and Australia only get information as to how their money is being used from Ministerial statements.

FIRST DELIVERY OF MARK 35 VAMPIRE

The first of the new Australian-built Mark 35 Vampire Trainers to be delivered to the RAAF was officially handed over to the Minister of Supply and Defence Production, Mr. Howard Beale, at a special ceremony held at Bankstown on September 13.

Mr. D. H. McLachlan, general manager of de Havilland Aircraft Pty. Ltd., who handed over the aircraft's Log Books to the Minister, drew attention, in his address, to the fact that when the Mk. 35 order was received late in 1955 the last Mk. 33 Trainer had been delivered and production of jet aircraft at Bankstown had ceased. Notwithstanding the additional difficulties in retooling and obtaining and training new staff, the company had succeeded in delivering the first aircraft to the RAAF on schedule. Mr. McLachlan stated that

this particular aircraft was the 123rd jet aircraft manufactured by the company at Bankstown.

In accepting the Vampire Trainer on behalf of the RAAF, Mr. Beale, in his reply, reviewed the progress of the company and its contribution to Australian defence since its early beginnings in 1927 and again expressed his confidence in the future of the Australian aircraft industry.

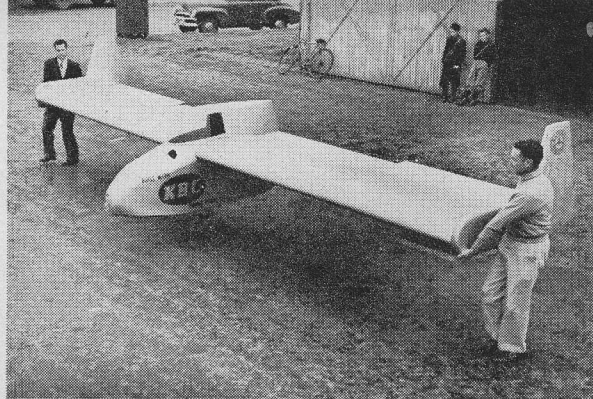
The Mk. 35 Vampire Trainer, while externally resembling the earlier marks produced at Bankstown, incorporates a number of new features including a redesigned dorsal fin, ejector seats, a redesigned fuel system, toe-operated maxaret brakes and a 2-piece clear view canopy. The Mk. 35 is the fourth variation of the Vampire to be manufactured in Australia. Sixty-eight of these aircraft are to be produced for the RAAF and one for the RAN.

SAA's NEW DC-7B SERVICE

South African Airways will open a fortnightly air service between Johannesburg and Perth, via Cocos Is. on November 25, according to an announcement made by the Minister for Civil Aviation, Senator Paltridge, on September 11. This service, the result of the recent grant of rights to South Africa by Australia, will be operated with DC-7Bs, and the first of this type will arrive in Australia on November 5, on a proving and goodwill flight which will go beyond Perth to Sydney, Canberra and Melbourne. The South African Minister for Transport, Mr. Shoeman, will accompany this flight. Qantas, which has been operating to South Africa across the Indian Ocean for five years, most recently via Darwin, will switch its Super Constellation service back to Perth and then the two airlines will operate their services on alternate weeks. Each airline is co-operating with the other in mutual assistance to reduce overheads, but as yet there is no official suggestion of a parallel partnership such as exists between BOAC and QEA on the Kangaroo route. There may be talks to this end at a later date.

ANSETT-ANA MOVES

The deal by which Australian National Airways will become a subsidiary of Ansett Transport Industries Ltd. is expected to be finalised on October 3, with the signing



The Glidair-manufactured Plank made its debut at Moorabbin (Vic.) on August 30. Flying trials have since been under way and Fred Hoinville (holding Plank at right) will assess the glider in our next issue. It is regretted that the gliding, ultra light aircraft and the aeromodelling sections had to be omitted this month.

of the contract of purchase by Mr R. M. Ansett. Background moves are already preparing the way for a re-organisation of the two services, with integration of fleets and a combined time-table. Some ANA pilots are already attending Convair 440 conversion schools, and joint studies are being made of other aspects of the two services. A second Convair 440 arrived from America last month, and another three are on order for early delivery. They will replace ANA DC-4s and some DC-3s. A further re-equipment plan was given initial implementation in mid-September when Mr Ansett contracted to buy four Lockheed Electra turbo-prop. The first two deliveries will be in December, 1958, and January, 1959. They will be among the first Electras to go into service anywhere, and will have accommodation for 66 passengers in a "de luxe custom seating configuration, plus a 6-seat lounge." Mr. Ansett stated that "in addition to its speed advantage over existing equipment, the Electra offers range possibilities which will permit non-stop operations on the Sydney-Perth and Melbourne-Perth services with maximum payload." END.

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