

AIR TRANSPORT...

privately admit is almost impossible—and on the other of authorising, and thus officially recognising, a series of charters which do not conform to any recognised definition of an affinity group.

The effect of the Far East charter situation on the Europe-Australia market is considerable. One Australian source last week put the loss to the BOAC/Qantas pool due to charter activity at £11 million last year. Qantas is not planning to operate 747s beyond Singapore because of the loss of traffic. The Australian Government suggested the idea of a charter company to Qantas last March, but the airline rejected the idea at that time. In the light of the British Government's exemptions and BOAC's establishment of a charter subsidiary, the airline has changed its mind. A recent statement by the Australian Government shows that its attitude to charters is now considerably more encouraging than in the past. The statement made it clear that it believes charter rights should be negotiated between governments by some form of bilateral agreement separate from those governing scheduled services.

Laker Airways last week renewed an application to the Australian DCA which it made a year ago for 60 charter flights each way between Britain and Australia. The earlier application was rejected, but in terms which gave Laker grounds to suppose that the door was not entirely closed. The airline has resubmitted its case with documentation aimed at counteracting fears of diversion from charter services.

A plan for charter services, possibly in conjunction with Qantas, was also submitted to the Australian DCA on behalf of the proposed British Pacific Airways, it was learned last week. Chief executive of the airline would be Mr L. N. Burrows, a former travel manager of the Commercial Bank of Australasia. A return fare London-Melbourne of £308 was proposed (the normal Iata return being £630). Whether the airline, which as yet has no aircraft, will get off the ground, especially now that its plan for association with Qantas has been overtaken by events, remains to be seen.

COMBATING CHARTER ABUSE

THE recent spate of strandings through failure to keep to the rules of affinity-group charters has led British charter carriers to draw up a code of practice to combat the growing abuse of club charter regulations. The carriers concerned include Caledonian/BUA, Laker Airways, Dan-Air and Donaldson, and a draft of the code has been submitted to the Department of Trade and Industry.

The document proposes that airline tickets should state the regulations and that passengers should sign a declaration that they have been members of the club for the requisite six months. Tickets should be submitted to the airline not less than 48hr before the flight. Clubs should have been in existence for at least 12 months before being permitted to arrange a charter and the DoTI should have lists of clubs, with the names and addresses of their members.

ANTI-CHARTER EL AL

SPEAKING as the president of an airline which has been consistently profitable for 12 years, Mr Mordecai Ben Ari of El Al said in London last week that he expected the world's airline industry to become profitable again in two to three years. The situation would improve as the US economic position got better, but the airlines must find means of keeping costs down.

He put down his airline's success to the non-affinity group fare system which he, as leading negotiator at the 1963 Iata fares conference, was instrumental in introducing. Since then charter carriers have not been allowed to fly to Israel. At present, he said, El Al carried only 20 per cent of its passengers at full fares. The remaining 80 per cent were tourists enjoying the group fares involving restrictions which would not suit the business traveller.

For this reason El Al, Mr Ben Ari said, was unlikely to buy the Concorde.

He would not confirm that El Al was one of the airlines opposing the advance-purchase fare proposed by the bigger carriers, but admitted that El Al preferred its group incentive fare. He said that charter carriers should be banned from the intercontinental operations on which traffic was carried which might otherwise be flown by the scheduled airlines.

PACIFIC PROPOSAL

A PROPOSAL aimed at breaking the deadlock between Australia and the USA over Pacific traffic rights has been put forward by the Australian Government. Officials declined last week to reveal its contents. The US Civil Aeronautics Board, using recently acquired powers, has banned the use of 747s by Qantas on trans-Pacific services to the USA. The move was in retaliation for alleged restrictions placed by Australia on American Airlines, which was refused rights into Melbourne.

The CAB decision has put Qantas in a difficult position; the airline was expecting to introduce the 747B on the Pacific on September 3 to match Pan American's use of the type. Qantas may also put the type on the Sydney-Singapore run, but does not see sufficient traffic on Sydney-London to warrant its use. Thus the Pacific plans are critical, especially as Qantas is suffering from flagging profits and growth at present.

The Australian Government is worried about excess capacity on the Pacific, but is equally anxious to maintain Qantas' competitive position. If the current compromise proposal is rejected, the Australian line could harden considerably.

● Another thorny traffic-rights problem involving the USA—the refusal of the Irish Government to let Pan American and TWA into Dublin—was due to be discussed again in inter-governmental talks this week.

AGE DISCRIMINATION?

THE US Department of Transportation has called on the CAB to investigate discount youth fares on the North Atlantic on the grounds that they are discriminatory. In a letter last week to the CAB, the department's general counsel Mr John W. Barnum said that the fares violated federal law on discrimination; he added that select discount fares should be balanced by similar concessions to other categories of traveller, such as, in this case, the elderly.

"A fare structure that requires a 20-year-old who has had to forgo an education in order to work full-time to pay a fare double or treble that paid by a 20-year-old student in the next seat presents real problems for one's sense of fair play," he said.

PAA/TWA merger unlikely According to the chairman of Delta Air Lines, Mr Charles H. Dolson, there is "not a chance" for the approval of a Pan American/TWA merger. Arrangements for Delta's own merger with Northeast should, he said, be ready for White House approval by the end of the year.

US radar replacements The US Federal Aviation Administration has ordered 23 more airport surveillance radars from Texas Instruments of Dallas, making 36 in all. Airports being re-equipped with improved equipment include Boston Logan, Chicago's O'Hare and Midway, Atlanta, Newark and Kennedy International, New York.

One-Eleven back in Bahamas One of two airlines which are increasing their services to and from the Bahamas is Flamingo Airlines, which has leased a BAC One-Eleven from Braniff for daily operations between Nassau/Freeport and Haiti. The other, Out Islands Airways, is starting daily services between Nassau and Miami, via San Andros and Bimini, using a DHC Twin Otter. The now-defunct Bahamas Airways was a One-Eleven operator.