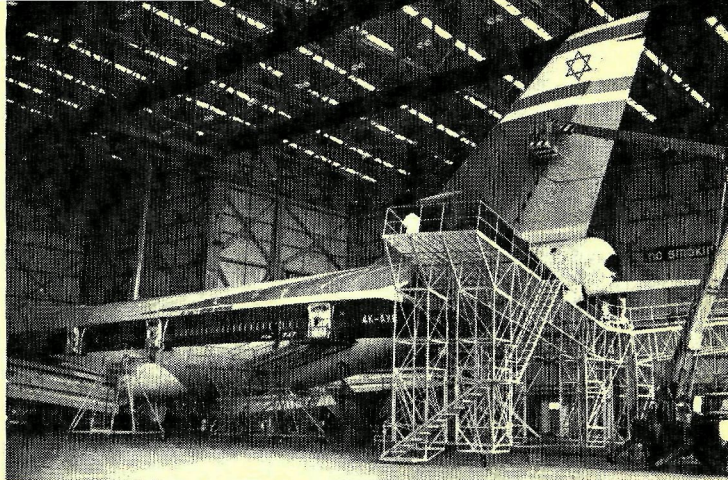


EL AL**Continued from page 1223**

autumn's Iata composite traffic conference and AGM. The airline first put forward this proposal two years ago when it suggested that all Iata carriers should replace the economy class with two new classes: Business and Holiday. First-class seating and services would be maintained.

Business Class would serve all passengers travelling on full-fare tickets. They would receive current economy services plus free alcoholic drinks. Holiday Class would comprise all passengers travelling at reduced fares, whether as groups or individuals. Seating would be denser and no meals would be served, although light snacks could be purchased.

Denser holiday-class seating, El Al expects, would allow capacity increases of 10.7 per cent on its 747s (with ten

**EL AL FLEET**

Three Boeing 747B, one 747C; three Boeing 707-320B, two 707-320C, three Boeing 707-420; two Boeing 720B

Above, El Al's maintenance facilities handle all the airline's own airframes. Left, fifth-podding is used to carry JT9Ds to the manufacturer for overhaul. Bottom, El Al operates 720Bs on medium-range routes

instead of nine seats abreast), 12.5 per cent on its 707s and 18 per cent on its 720Bs. The carrier argues that Holiday Class would constitute a real countermeasure for all airlines in their efforts to cut operating losses and encourage tourism.

Charter flights to Israel, hitherto banned except from Scandinavia, are to be introduced this autumn. This decision was taken in March by the Israeli Government against stolid opposition from El Al. Tourists represent 80 per cent of total air traffic to Israel and El Al argued that they would be diverted on a massive scale from scheduled flights if charters were approved.

The campaign in favour of charters was headed by Tourism Minister Moshe Kol, who, announcing that 200,000 American tourists visited Israel in 1975, predicted: "This number could be doubled if the Government changed its aviation policy." The El Al view is put by Mr Luba Volk, vice-president and corporate secretary, who tells *Flight*: "Based on calculations of elasticity of demand there is no evidence that traffic from the United States could even be increased by introducing charters. This would involve costly positioning flights and empty legs. We would have to provide the biggest charter capacity at the peak seasons, precisely when our flights are full and when we do not need to develop the traffic."

This autumn these contradictory forecasts will be tested in practice. A Government committee set up at the end of 1975 recently produced its recommendations on charters and these were approved by the Cabinet in March. For a trial period of three years, beginning on October 1, charters will be introduced for incentive tours from the US, inclusive tours from the US West Coast only, inclusive tours from Europe to Eilat, and for American and Canadian troops and their families stationed in Europe. In January 1977 charters will be allowed from West Germany, with the exception of Frankfurt (because of its accessibility from other parts of Europe). These will be restricted to residents of the Federal Republic.

Yielding to the inevitable, El Al is now starting negotiations with foreign airlines to ensure that it obtains a fair share of the charter market. Ben-Ari wants "at least 50 per cent" for El Al. He is also calling for preference to be given to the national carriers of the countries from which Israel-bound charters originate.

In its efforts to limit unit costs El Al is seeking maximum utilisation of its 747 fleet while keeping 707 flying time down. Both aircraft are at present flown 8hr daily, with the trend rising for the wide-bodies and decreasing for the smaller aircraft. To obtain optimum utilisation El Al changed its timetables six times in 1975, having done

