

5 more bridges for the Harbour City

Dec 1974

*Don Gazzard's
Sydney Terminal for TAA*



SPECIAL FEATURE

The TAA story

The Bulletin's aviation correspondent, DAVID BALDERSTONE, in this special report to mark the opening of Trans Australia Airlines' new terminal at Sydney's Kingsford Smith Airport, studies the growth of the airline from the time when it was an airline without aircraft to the point where it is planning for Australian domestic air travel up to the year 2000

Sydney's five new bridges

JUST AFTER 8.30 am on September 9, 1946, a collection of baggy suited VIPs — many with hats in hand or on top — stepped from a DC-3 at Sydney's Mascot airport. They had just flown on TAA's inaugural flight from Laverton, just outside Melbourne.

Now there are baggy suits again, but few hats. And to say the least, the airline has changed. Not a couple of plane loads of passengers, but around 6000 people will pass through TAA's new \$5 million terminal at Sydney airport each day.

The new terminal provides five new bridges for Sydney — aerobridges, that is. The bridges, with their accompanying gate lounges, have each been painted a distinctive color: purple, red, lime green and blue.

Alongside TAA's old terminal, the new glass-fronted building is a dramatic combination of color, light, space and greenery. It has been designed to enable passengers to easily orientate themselves as they move from check-in, to the gate lounges, to the aircraft. In short, it has been planned to take the hassle out of flying.

TAA, which employs around 8000 staff, made a net profit of \$1,966,327 in 1972-73. The trading results for the past financial year have not been released, but it is understood they may reflect the world-wide downturn in the airline industry. The airline flies 69,488 route kilometres.

Following parliamentary approval, TAA has started diversified activities. It has started a bus tour company with Mayne Nickless, which is called AAT, and has bought a 51 percent interest in Great Keppel Island.

The new terminal at Sydney airport has been designed for today and tomorrow. Initially, it will handle around 6000 passengers a day and by the end of the decade it is estimated 10,000 people will pass through the terminal each day. Only a little modification will be necessary before wide-bodied aircraft — such as the DC-10, the Lockheed Tristar and the European Airbus — can park at the terminal's aerobridges.

TAA general manager Lyn McKenzie says the new terminal is an outstanding building. It is a dramatic departure in

design from other major airport terminals in Australia.

"Unlike other big airport terminals, there is no long concourse protruding on to the tarmac. The concourse, with its aircraft gate lounges and aerobridges, is part of the main building itself. This means passengers will have only a fairly short walk of about 76 to 90 metres from

passengers arriving and departing on aircraft.

It is a terminal of incredible light and spaciousness. The five gate lounges are all painted different colors to help in easy identification. The brilliant yellow air-conditioning ducts resemble a modern sculpture as they curve along the length of the building.



TAA's terminal in the midst of building works: It has been designed for today and tomorrow

the kerbside to their aircraft no matter which gate lounge is used," he says.

"In every respect the terminal is a vast improvement on previous domestic airline facilities at Sydney airport.

"The aerobridges are a new design for Australian airports. They extend 24 metres out from the terminal concourse and are completely weatherproof thus eliminating the long walks through puddles on the tarmac that most regular travellers have experienced at Mascot."

It is logical. The entrance and check-in building is the first part passengers arriving by car or bus come to as the road sweeps around in front of the terminal. After check-in they ride up the mirror-sided escalators to the lounge and gate lounge areas.

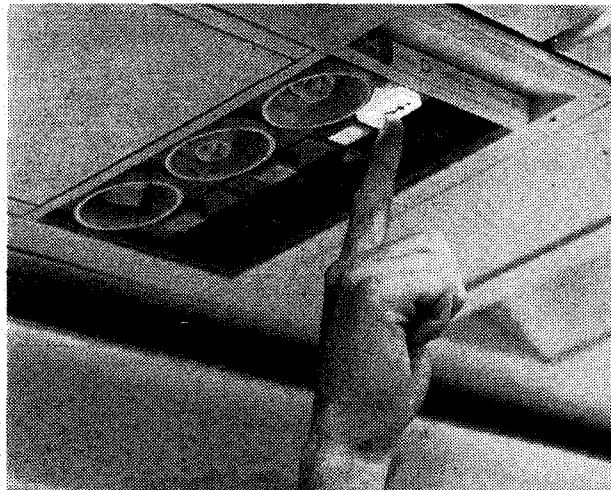
Baggage claim and the city buses are at the other end of the terminal. So there is a minimum of cross flow between

The terminal was designed by Clarke Gazzard Pty Ltd — Sydney-based architects who were also responsible for the airline's terminal at Brisbane airport.

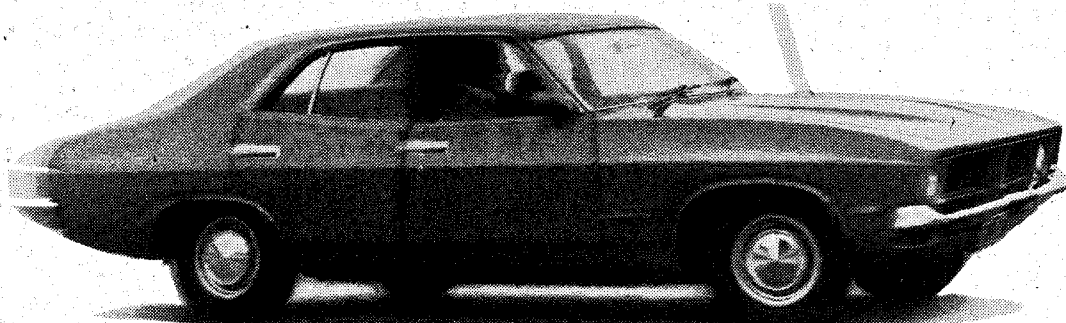
"The design concept provides for considerable expansion of the building to cope with future growth and technological change without the need for any major structural alterations," McKenzie says.

"There is space to park seven Boeing 727s at the building at any one time, and we will be capable of handling about 1000 passengers into and 1000 out of the terminal in an hour.

"Last year 2,029,084 passengers passed through TAA's Sydney terminal at an average rate of 6000 a day. In 1980 we expect to have about 3.5 million passengers using the new terminal at an average rate of nearly 10,000 passengers a day.



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"The capacity of the building can be greatly increased and we have plans for extending the main concourse along in front of our new cargo terminal which will give us additional space for aircraft parking in case it is ever needed.

"In our long term planning we also have had designed an extension which can be built out on to the tarmac from the other end of the building, should it be required."

McKenzie said work would commence soon on alterations to the old passenger terminal which will be used for some TAA administrative functions and as the passenger terminal for East West Airlines and a number of commuter airlines, including Masling and Skyways.

"The Department of Transport will be moving its operations and meteorological services to the old terminal and this will make way for the construction of a car park near TAA's new passenger terminal," he said.

TAA's property planning superintendent, George Truskin, has been very much involved in the development of the new terminal. He has followed it through the planning stages, the construction, and now, the operation.

Mr. Truskin says that following studies for the Federal Government and the company's realisation that "something had to be done in Sydney," a decision was made towards the end of 1971 to develop a terminal at Mascot, which would have a life-span of at least 10 years.

"Then we set about planning the terminal and gaining access to the site, which was the site of the old international terminal. Most of the international passenger movements had moved out of the old building, but there were a number of tenants remaining," he said.

"So in 1972 we were able to finalise plans, having charted future aircraft requirements, passenger flows and generally looked at the future."

The airline decided to treat the overall development of the company's operational area at Mascot as one overall plan.

"The next step was the evaluation of a number of alternative proposals for the development of the site. The problem was we needed to keep the present terminal building operating during the construction of the new terminal. We wanted to produce a design for a building, which, even when completed, would allow us to maximise the use of the existing terminal. Also, we wanted to produce a design which was up to the minute — for passenger comfort and staff efficiency. For the department, we had to satisfy a number of things, such as an allowance for road widening.

"On the air side we wanted to provide from the outset for wide bodied aircraft. We took the precaution of planning

beyond the 10-year period, just in case. We looked ahead a good 15 years.

"We took up several months sifting through plans until we came up with the final design. We had tried square buildings and loading fingers, but none of these had the advantages of the curved design we settled for.

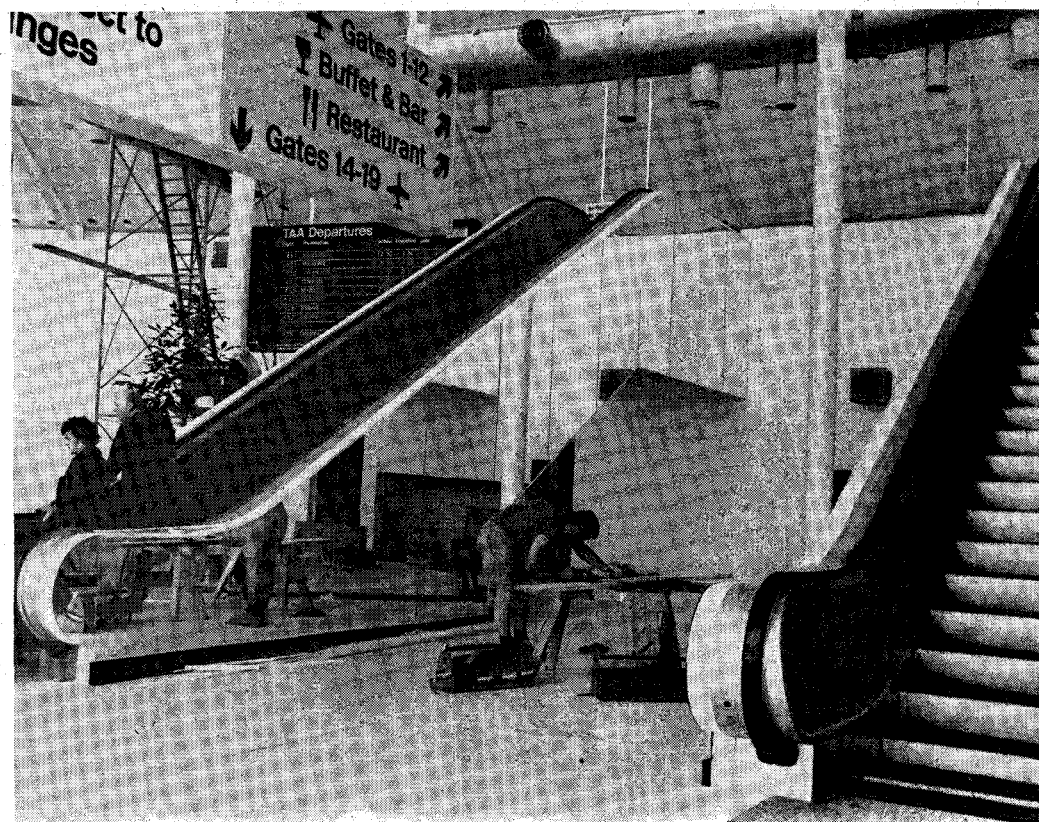
"The architects had worked with us on our Brisbane terminal, so they knew us and we had a pretty good working relationship with them."

Truskin said the first stage of the

"The next thing we have done is provide an open and easy terminal in which the passenger can easily orientate himself or herself.

Passengers arrive and the first section they come to is the check-in counter. For arriving passengers, the transport is at the other end of the terminal. The whole thing is logical, I call it," Truskin says.

Jerry Nyhouse, TAA's building projects supervisor, says it had been an unfortunate time for building a new terminal. Not only had supplies of



The mirror-sided escalators add to the lightness and brightness of the new terminal

development of the Sydney terminal site comprised the building of the new distinctive curved terminal, construction of the cargo terminal, and partial reworking of the old terminal building.

The second stage comprises further reworking of the old terminal building, to allow mainly for East-West Airlines.

Stage three involves extension of the new terminal in an easterly direction. This will allow for two extra passenger bays and will do away with the need for the temporary lounge servicing a plane in a stand-off position.

"This design concept offered the best way of matching the needs of parking aircraft and the needs of the passengers on the land side, because it gives the passenger a short walking distance from the kerb side to any of the aerobridges. The average distance from the kerb side to the lounges is 80 metres. This compares with about 80 metres to the nearest lounge at Tullamarine or about 300 metres to the furthest.

materials been short and industrial disputes throughout the building industry rife, but also there had been record rains which delayed building. The terminal had originally been scheduled for completion in April 1974.

Recently, the former administrator of the U.S. Federal Aviation Administration, John H. Shaffer, coined the phrase "throughport" while speaking in Sydney. "In order to meet future demand for air system services," he said, "certain elements of our airport systems must undergo major transformations in the public interest. Ultimately, there will come into being a network of intermodal transportation interchanges. They will be throughports."

A throughport is neither the beginning nor the end of a passenger's journey. Rather it is a transit point in a trip which usually starts and finishes with a car or bus ride.

"The throughport concept has been

very effectively incorporated in this new building," according to a TAA executive. "People passing through TAA's Sydney terminal can expect their walk to be both short and pleasant and any waiting time will be spent in relaxing surroundings."

Architect Don Gazzard said the site of the new terminal — joining on to an existing terminal around a corner — looked a problem initially. "But it turned out a bonus.

"The building has understanding.

wall which combined with the high skylight helps to create a feeling of space and lets in a great deal of natural light.

Once a passenger enters from the street he or she is in a large split level building. The upper level where the departure lounges and concourse are to be found, is 6½ metres above the ground floor. The upper level can be reached by escalators in the middle of the building or by stairs at either end.

The gate lounges are smaller than at,

not likely to quickly be dated as a monument to the mid-70s airline scene," an airline executive says.

The gate lounges have rounded edges and moulded port-hole style windows which give an impression of an aircraft interior and the windows provide a view of the tarmac.

TAA says the terminal will provide passenger information relayed through a fully integrated system of computer operated Autophon flap boards and alpha-numeric television monitors. The system utilises a computer to relay information simultaneously through the flap boards and television monitors.

The Autophon boards and more than 50 television monitors are incorporated in the \$200,000 flight information system.

All jet aircraft types from the DC-9 through to a Boeing 747 can be handled by the terminal's aerobridges, which were designed in the United States by the Jetway Corporation, whose agents in Australia are Hawker de Havilland. They are different in design to those at present in use in Australia.

Construction and installation of the equipment was sub-contracted to Rheem in Brisbane. They were transported to Sydney by road in two sections: the tunnel and the T-bar cabin section through which passengers enter and leave the aircraft.

They are built of steel, painted outside in the distinctive colors and lined with steel panels coated in matching polyurethane. The floors of the lounges and aerobridges have been surfaced in a specially woven carpet colored to match the aerobridges and lounges.

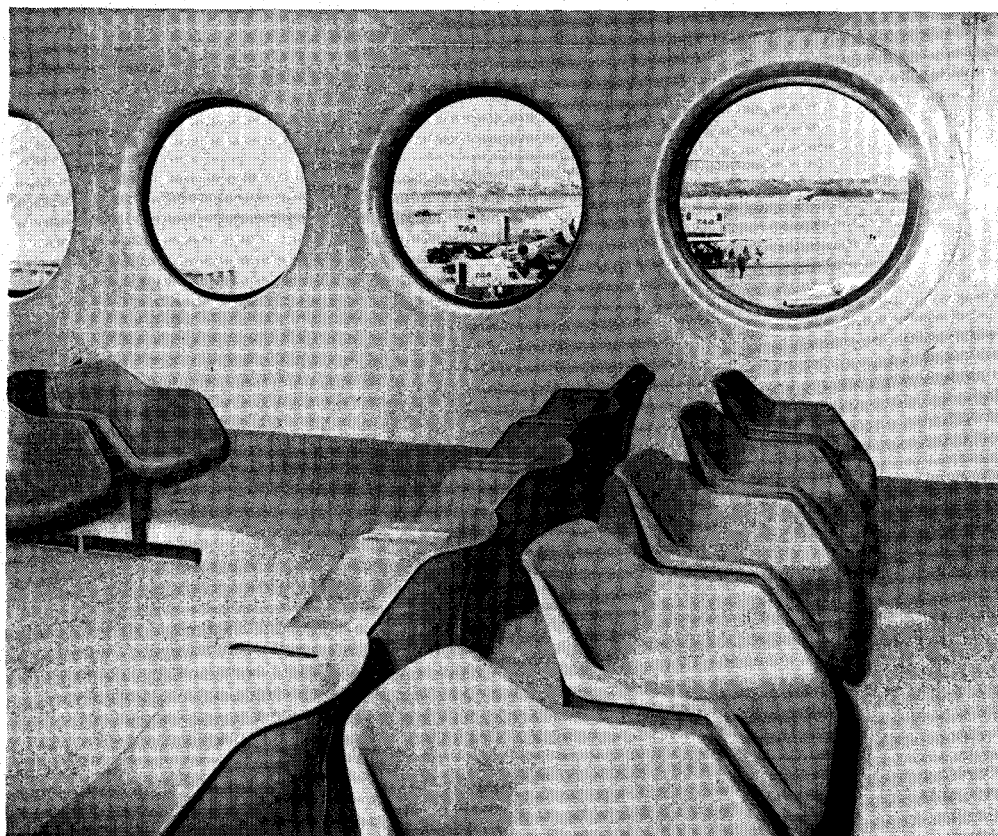
"The five colors chosen for the lounges and aerobridges provide a ready method of identification for passengers as well as enhancing the distinctive appearance of the building," a TAA executive notes.

The operation of the aerobridges is controlled from the T-bar cabin section. The control cab is fitted with a telephone, has good visibility over the tarmac area and is so placed that it will not obstruct passengers. There is a stairway for airline staff down from the cabin to the tarmac.

Manual operation of the aerobridge is possible in the event of a power failure, but there is also a stairway for passenger use running parallel with the aerobridge tunnel.

The position of the aerobridges can be pre-set according to aircraft type, with close adjustment made after the aircraft taxis to position. The T-bar section can be adjusted through a 30 degree arc at that time making a completely weather-proof bridge.

As the load in the aircraft changes considerably during the turn-around of the plane, the aircraft moves up and down in relation to the aerobridge. Therefore an automatic levelling device



A section of the lounge at the new TAA terminal

Things are where people expect them to be. We set out to get a lot of light in the terminal and a feeling of space because the whole thing of air travel is a go-go thing."

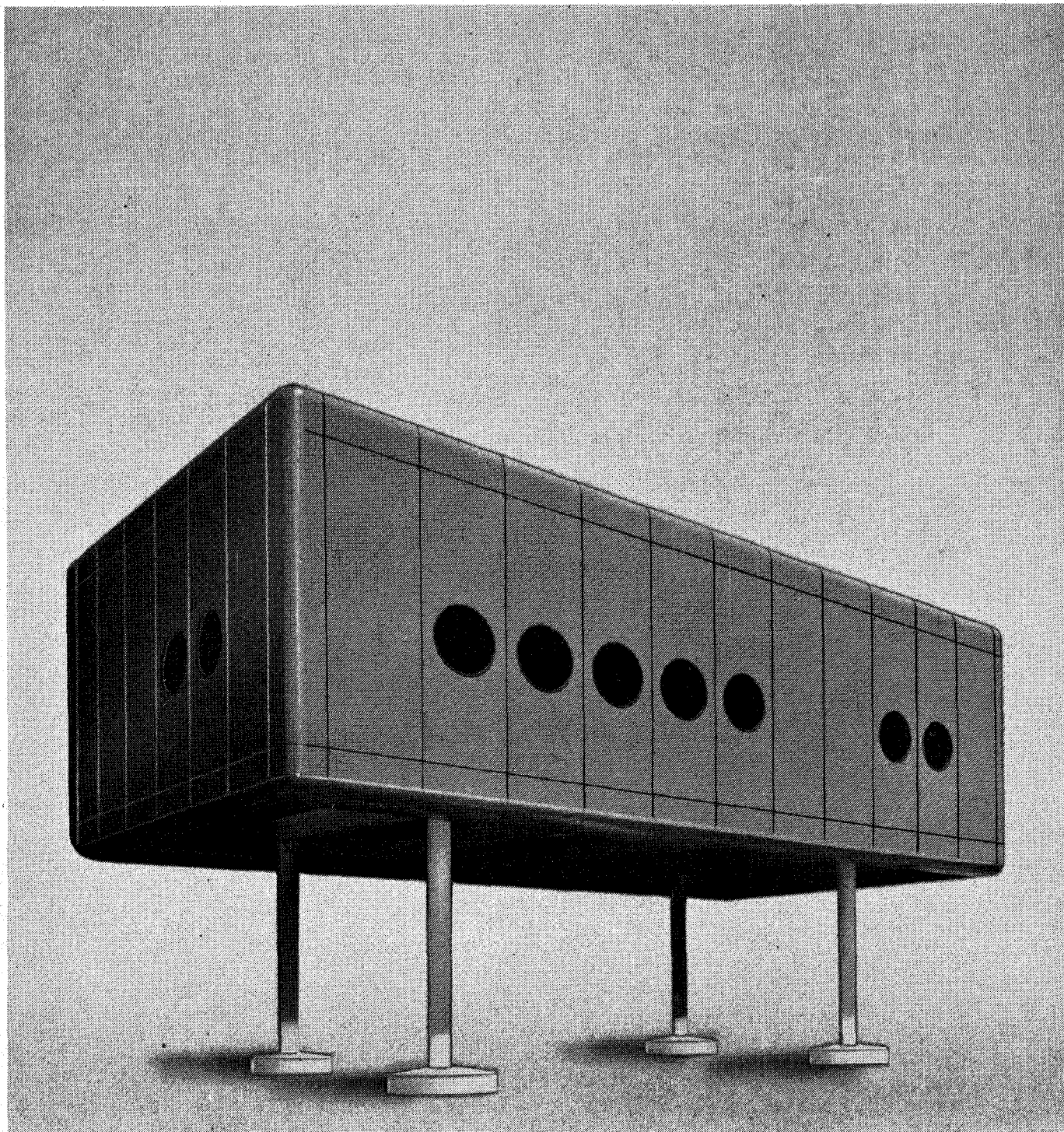
A TAA executive says: "Whether passengers come from the street or an aircraft they know almost instinctively the right way to go for they can, even without reference to the many signs around the terminal, see where they are to go when checking in, collecting their bags and boarding the aircraft or bus. Easy visual orientation is helpful for people who don't speak English or who are not experienced travellers."

A curved steel structure with an airside perimeter of 134 metres — and now being extended to 213 metres — the terminal is two storeys high on the concourse side near the tarmac and single storey on the road side where the check-in and baggage claim areas are situated. The street front is a tinted glass

for instance, Melbourne airport because many passengers — after having seats allocated — can be expected to go to the newspaper kiosk, snack bar, cocktail bar or main lounge while waiting for the boarding call. These facilities are just across the concourse from the gate lounges which is different from finger type concourses where gate lounges are usually quite a long walk away from such facilities.

Since wide-bodied jets will require different spacings at some future date, the gate lounges were pre-fabricated on the site and lifted on to prepared columns as whole units. Each lounge has attachments for lifting gear so they can be moved in the future without any major structural change to the building.

"The airline industry has been characterised by technological change and developments of this kind have been incorporated into the design to cater for future changes. The architects set out to create a functional building which was



Even the departure lounge takes off...

TAA's architects, Clarke Gazzard Pty. Ltd., when designing the departure lounges for the Sydney Terminal, set themselves a formidable task. They wanted the building to express the aerodynamic simplicity of a jetliner's fuselage. And the whole building had to be of lightweight materials because with subsequent planned expansion the lounges may have to be relocated.

Hardie's were asked to help in translating this bold concept. The solution? A combination of three of

Hardie's lightweight products – Hardiflex Flat Sheets for the walls, custom moulded Hardie's AC panels for the corners and Hardie's Compressed Thick Sheet for the floors. Specially moulded Hardie's AC circular window frames were also created. And the whole building was weatherproofed with neoprene jointing strips, which added a bold look to the whole finish. If you have building concepts that venture into the unknown ... the excitement of

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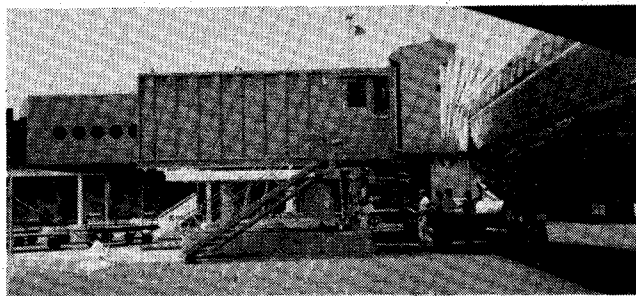
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JH122, 25, 18CM

The tarmac walk has gone. TAA now extends the friendly environment of its passenger lounges right to the aircraft with five fully-enclosed Jetway Aerobridges at its new Kingsford Smith Air Terminal.

Manufactured in Australia for TAA, they are similar to the thousand or more Jetway Aerobridges in service at leading airports around the world.

Travellers on TAA DC9's and 727's as well as the wide-body airbuses of the future will welcome this major contribution to their comfort and convenience.



Well done TAA on extending "the friendly way" right to the door with Jetway Aerobridges

Jetway Aerobridges are manufactured by
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has been incorporated in the controls, and this also compensates for any horizontal movement due, for example to strong winds.

When TAA has introduced its choice of wide-bodied aircraft, aerobridges may be extended and fitted with an additional T-bar section, thereby providing two entry and exit points.

The aerobridges, like the departure lounges, are mounted independently of the building, on pedestals fixed to the tarmac. Each aerobridge is fitted with crane assembly points. When a move is necessary — for example, when bigger aircraft are introduced — the equipment can be “unplugged”, hoisted to its new location, and immediately “plugged” in again.

The baggage handling system has been manufactured by the Mathews Conveyor Co, of Canada. The installation has been handled by their agents, A. P. Morling Pty Ltd.

As far as passengers are concerned baggage pick-up is from a moving conveyor — what the industry describes as a “racetrack” — rather than from a carousel. The only other system of this type in use in Australia is at Perth airport.

After check-in passengers’ baggage moves along a conveyor belt behind the check-in counters, then overhead to the centre of the baggage handling area where it is automatically directed on to a racetrack. From this staff baggage handlers load their trolleys — containers will be used at a later date, it is planned — for carriage to the aircraft.

At the other end of the process, baggage handlers will transport baggage from aircraft to the two public racetracks for collection by disembarking passengers.

Max Morling, A. P. Morling’s managing director, says the loading racetrack — which will be used by staff only and is out of sight of passengers — moves at 30 metres a minute, while the passengers’ collection racetracks will move at 24 metres a minute.

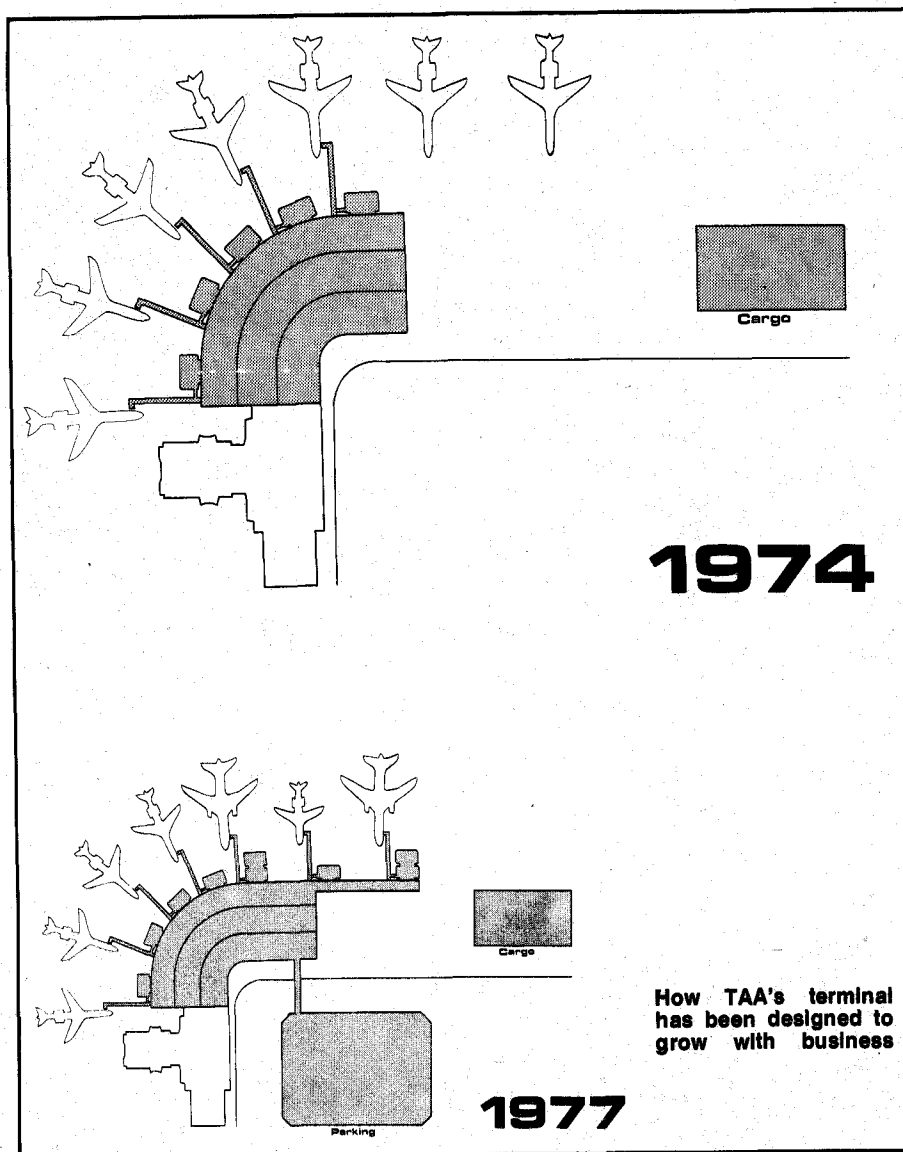
The system cost \$150,000. The racetracks themselves are made up of a series of straight sided crescents which follow the shape of the track.

The racetrack system is in wide use overseas and TAA believes it is a better system than the carousel system.

At an early stage in the planning of the terminal, James Hardie and Co Pty Ltd was called in for advice on light weight cladding materials.

“As a result of research and close co-operation an interesting system was devised where steel framing clad in 7.5 mm Hardiflex sheets provided a practical and visual building application. Sturdy yet light in weight,” a spokesman for James Hardie and Co says.

“Following European trends in modular design for airport buildings, the



major design influence has come from the internal “open space” feeling obtained in the new generation of wide-bodied jetliners.

Externally, a panelled effect has been achieved by making no attempt to conceal the sheet joints. Neoprene weathertight gasket strips have been used behind the expressed joint. Sheets have been mechanically screw-fixed to steel girths, using the Deutscher application method. Snap caps cover the screws.

“Moulded circular ‘porthole’ style windows with dry gasket glazing dominate the lounges, thus providing a strong impression of an aircraft interior.”

The flooring, according to the company, is of 24 mm fully compressed thick sheets which are glued and screw fastened to an interlocking metal pan system. “The advantages gained from this system are that it is quick to lay and easy to handle.”

Although the new passenger terminal and the airline’s cargo terminal — which was opened in September — do not connect. They have been planned jointly

and when future expansion of the passenger terminal is undertaken will come together as one integrated terminal.

The location and design of the cargo building has been planned to allow the airline to provide efficient and speedy handling of goods.

The cargo terminal was planned after very careful analysis of cargo flow patterns and research into future cargo service needs in Sydney.

It houses both domestic and international cargo operations of TAA. The airline believes this will be an advantage to customers as both domestic and international cargo operations are closely interwoven.

In the downstairs working area the layout of offices, scales, hoists, rollers, acceptance and delivery areas is based around the flow patterns for goods. Like the internal layout of the terminal, the exterior fittings, loading bays and other facilities, also have been planned so cargo can be moved in the quickest possible time.

The airline is able to move cargo in

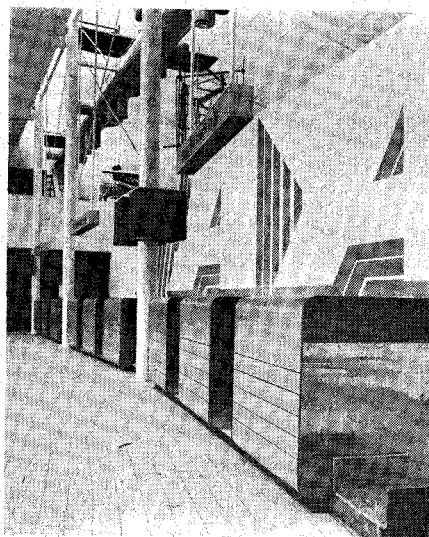
domestic and international size pallets and while the trend is away from the physical handling of individual packages the airline is geared up to handle any type of consignment from a small package to a 5000 kilogram container.

"Indeed we are striving to increase our share of import and export cargo business by strengthening our activities with forwarders and international airlines," McKenzie says.

"To give an idea of how this business is growing the import and export cargo we are handling in Sydney has been increasing at about 77 percent over the past year.

"From time to time it is suggested that TAA is not enthusiastic about air cargo services. This is a wrong assumption. It is a very important part of our business. In 1972-73 our revenue from cargo was \$12.5 million or about 10 percent of our total revenue. And as over 80 percent of our total cargo is carried on passenger aircraft this represents a very important element in achieving our profit before tax, which in 1972-73 was \$6.7 million.

"Our cargo philosophy is very soundly based. Some years ago we decided not to replace our old DC-4 freighters with other pure freighter aircraft because the advent of large jets offered a lot of cargo capacity on every passenger flight. We



The check-in counters: the whole concept has been based on speed of handling

adopted the policy of marketing that space in order to provide continuous clearance of cargo on the first available flight and supported it with night freighter operations using quick-change Fokker Friendships."

The volume of cargo handled by TAA in Sydney in the last 10 years has jumped from 6.6 million kilograms to 13.1 million kilograms in 1973-74.

McKenzie says the airline realised that its philosophy of carrying freight on passenger aircraft would mean some larger items could not be carried until the airline got bigger aircraft.

"That time is much closer now. Already we are operating 200 series Boeing 727s which have 54 percent more cargo space than the earlier 727s.

"In the future wide-bodied aircraft will be introduced and those aircraft, after a full load of 250-300 passengers and their baggage have been loaded, can provide as much cargo space as a Lockheed Electra freighter. Several overseas airlines have found the cargo capacity available on wide-bodied passenger aircraft so great that they have dispensed with pure cargo aircraft and have adopted a cargo operating philosophy similar to TAA's."

It is no secret that some senior TAA executives threw up their hands in horror when told the new passenger terminal was to have each of its five gate lounges and aerobridges painted a different — to say the least — distinctive color. And the exposed air conditioning duct — in yellow? It wasn't quite their image of TAA. But just prior to the opening of the new terminal, one of these executives conceded to the architect, Don Gazzard: "Now it's cleaned up it looks very good."



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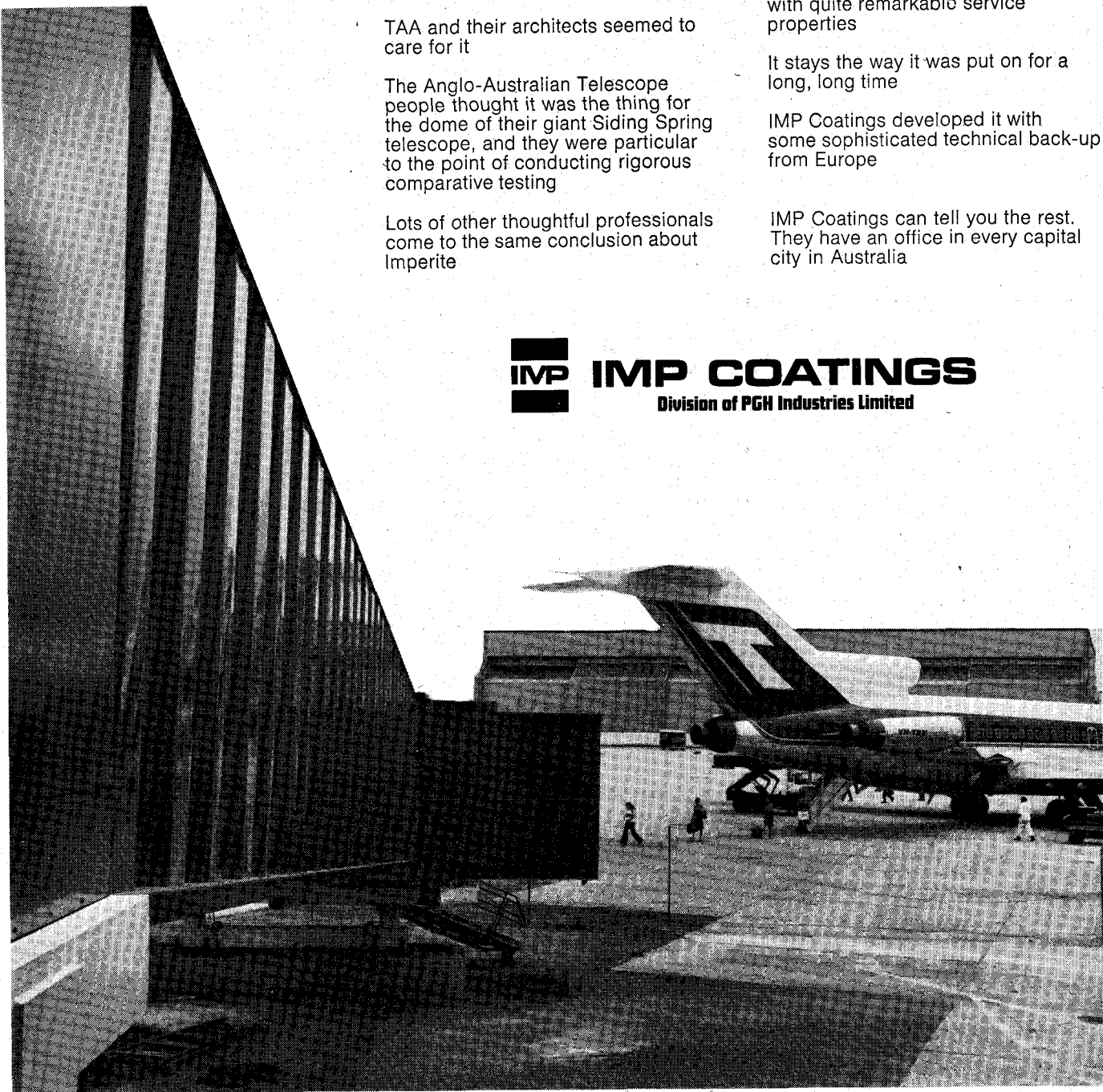
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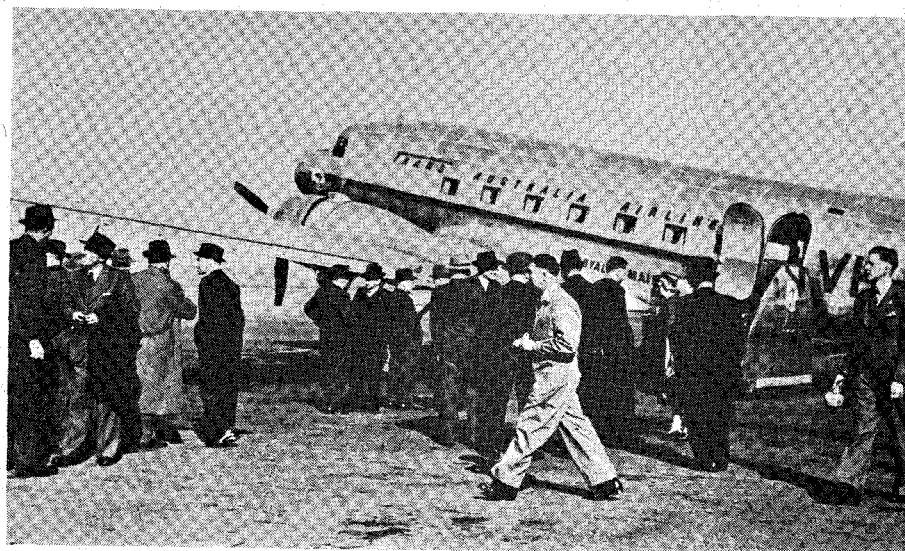
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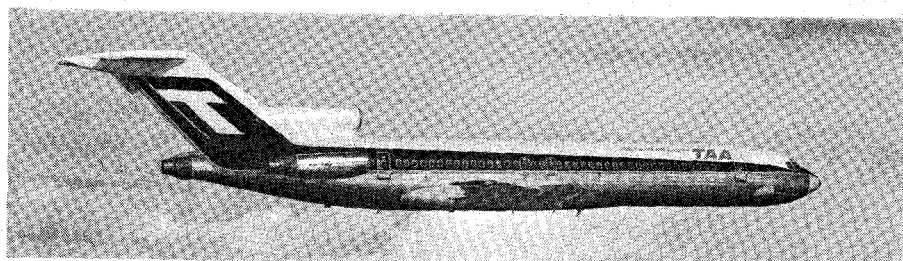




Sir Arthur Coles, first chairman of the Australian National Airlines Commission: at the start, no staff, no buildings, no aircraft — only ability



A DC-3 at Mascot after the first official TAA flight from Melbourne



A Boeing 727-276, flagship of the TAA fleet: a far cry from the planes of early days

TAA's jet-styled take-off

BORN AMID controversy 28 years ago, TAA has grown from a fledgling airline manned mainly by ex-servicemen into the giant of today employing about 8000 staff and flying about 69,488 route kilometres.

In 1946 Prime Minister Ben Chifley made it known that Federal Cabinet had decided to establish the Australian National Airlines Commission to run an internal airline. It was to be known as Trans Australia Airlines. Amid an intense political and nationalistic controversy raging around the hot issues of free enterprise, the commission, chaired by businessman and parliamentarian Sir Arthur Coles, held its first meeting on February 13, 1946. The other commissioners were W. C. Taylor, as vice-chairman, Sir Daniel McVey, the Director General of Postal Services, Captain E. C. Johnston, the deputy director of Civil Aviation, and A. C. Joyce, senior assistant secretary of the Treasury. They commenced work with little more than their collective abilities. They had no staff, no administrative buildings, no aircraft and no hangars.

They faced growing hostility from the airline operators, a large section of the Press, champions of free enterprise.

The following month 11 DC3s and

two C47 aircraft leased by the Commonwealth Government were made available to TAA. The first DC3 was delivered to the airline in June and pilot training began at Point Cook, just outside Melbourne, shortly afterward.

TAA's first commercial service was flown by a DC3 from Laverton Airfield, just outside Melbourne, to Sydney on the morning of September 9, 1946. The flight was under the command of Captain J. A. Hepburn and the first officer was Captain J. W. Nickels. The hostess was Miss V. Vernon. On the flight a breakfast of fruit, scrambled eggs, bread and butter, and scones and marmalade was served.

Even before the first service it was realised the DC3s would not be able to meet the public demand. So on July 2, 1946, the Federal Treasurer set aside \$700,000 to pay for four new DC4 aircraft ordered for TAA from the Douglas Aircraft Company.

The DC4 carried the new airline's colors across to Perth, bringing the west into the airline's growing network.

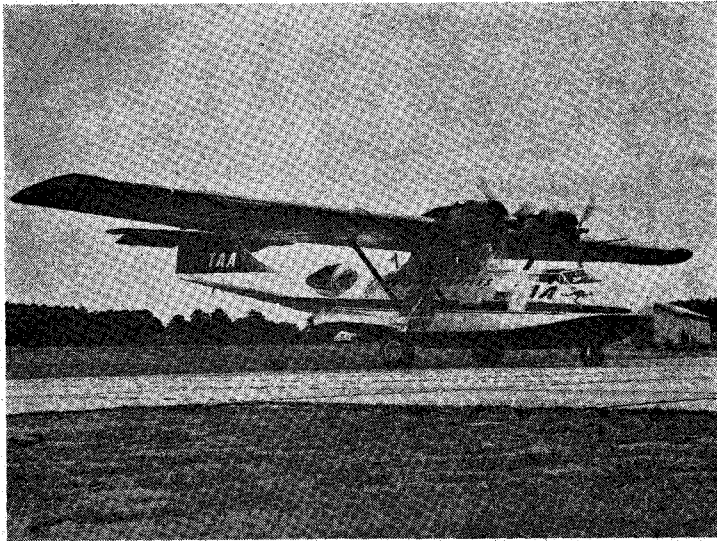
The airline had big plans and in December 1946 — still before the first anniversary — TAA placed an order for five Convairs. It was the first pressurised aircraft to be used on regular services in Australia.

By 1949, TAA had three DC4s, five Convairs, 19 passenger and four freighter DC3s, and four DH 84 Dragons. The airline claimed at the time that in terms of route kilometres — 21,720 kilometres — it was the biggest domestic airline in the world. On August 9, 1949, the airline carried its one-millionth passenger.

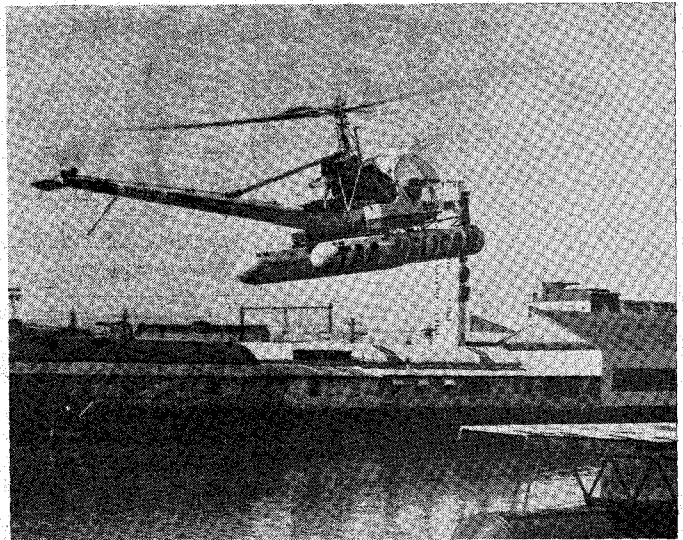
Late in 1949, TAA's forward fleet planning was in the news again. Even at this early stage the airline was considering entering the jet age. Two aircraft were under consideration: the Avro jetliner manufactured by Avro Canada and the De Havilland Comet, which was being built primarily for BOAC. But with one thing and another, this early move into the jet age was not to be.

But TAA was to become the first airline outside Europe to operate a turbine-powered passenger aircraft. In 1951 the commission endorsed a proposal to buy the Vickers Viscount.

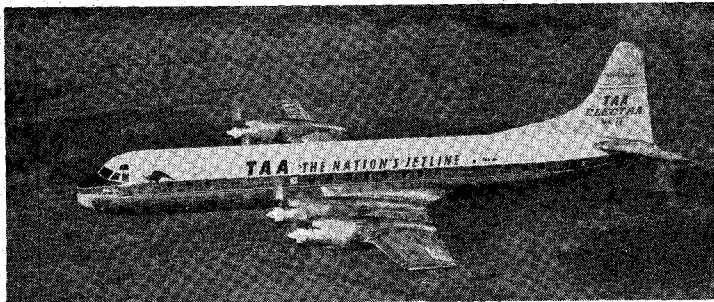
In August 1952 a contract was signed for six Viscounts. John Watkins, formerly the airline's director of engineering, was told to get to London as quickly as possible. The order was made subject to one condition — that the first three of the six Viscounts covered by the contract were to be delivered ahead of any that



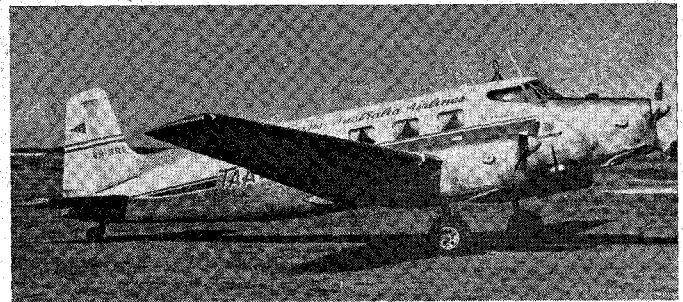
A Catalina flying boat: these amphibians were among the aircraft used in TAA's early days



A TAA Hillier 12E helicopter: it is seen here taking off from Melbourne's helipad



A Lockheed Electra: for many years the flag carrier of TAA's fleet



An Australian built De Havilland Drover: an aircraft used on remote routes in days gone by

might be ordered by TAA's main competitor, ANA.

A couple of days after the order had been placed with this condition taken into account, the chairman of Vickers, Sir Hew Kilner, rang Watkins and said Captain Ivan Holyman, the head of ANA, had arrived in London and had made exactly the same request. Watkins was asked if he was willing to forego the agreement and accept equal deliveries. Watkins declined.

The Two Airline Policy can be traced back to November 1951 when Prime Minister Menzies told parliament that the government would put the government-

owned airline, TAA, on a "true competitive basis, with no preferences either in cheap capital or dollar expenditure."

For some time it looked as if the Liberal Government would close TAA and another proposal was for a merger of TAA and ANA, but the government decided against both these proposals and in October 1952 an Act was passed in establishing the Two Airline Policy.

But it was not until after Ansett had taken over the ailing ANA — following the death of the airline's head Sir Ivan Holyman — and later Butler that the policy worked successfully.

In February 1960 TAA and Ansett-ANA entered into what became known as a cross-charter agreement — much to the anger of many people within TAA. Under this deal, which was designed to achieve fleet parity and financial stability for both airlines at a time when the economy of the industry was very finely balanced, TAA exchanged three of its Viscounts for two of Ansett-ANA's DC6Bs.

The reason for this swap was that there was a very clear passenger preference for the Viscount, which TAA was operating, over the piston-engined DC6s. Also the Viscount, as a smaller aircraft, was able to operate at greater frequency. This agreement continued until September 1966.

From then on the two domestic operators have made parallel purchases of aircraft. In 1964 TAA and Ansett entered the jet age with the Boeing 727, an advanced version of which is the flagship of the two carriers. Three years later the DC9 joined the fleets.

In the airline's first 28 years, it has operated DC3s, DC4s, Convairs, DH 84 Dragons, Drover DHA-3s, Viscounts, Dove DH-104s, Lockheed Electras, Douglas DC6Bs, Fokker Friendships, DC9s, Boeing 727s and Twin Otters.



A Convair 240: the first pressurised aircraft to be put into service in Australia



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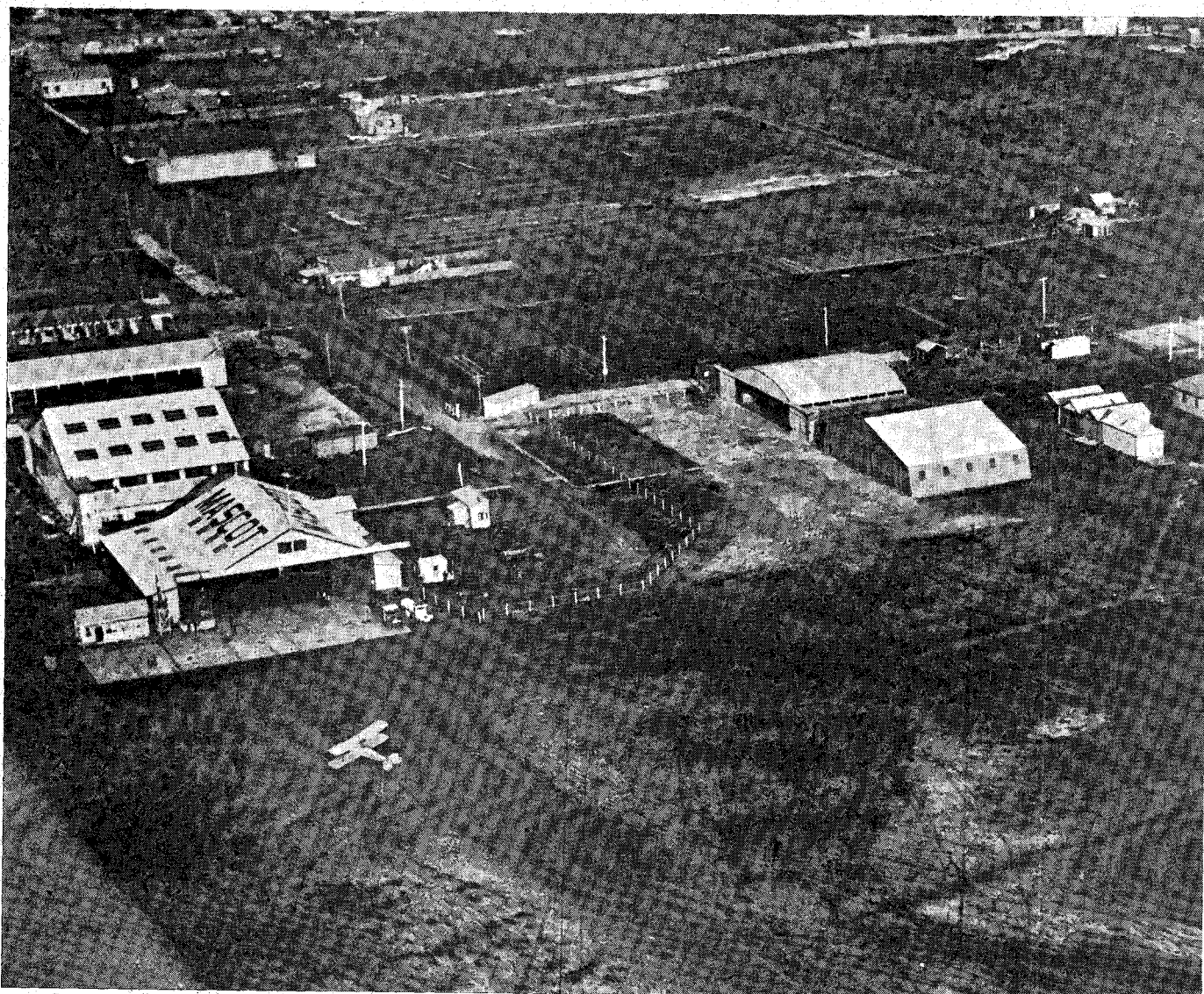
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Mascot airport in the very early days: a lone biplane stands outside one of the hangars

The paddock that became an air city

AFTER returning from World War I, Lieutenant Nigel B. Love had the idea of establishing an aircraft manufacturing industry. He spotted a bare 400-acre paddock at Mascot beside Botany Bay and leased it. Today it is Sydney's Kingsford Smith Airport.

Lieutenant Love leased the paddock from the Kensington Racing Club for \$600 a year and with Lieutenant J. W. Warneford and an aeronautical engineer, Harry Broadsmith, set up the Australian Aircraft and Engineering Company to produce the Avro 504K aircraft.

The following year, after a survey of the area by the newly formed Civil Aviation Branch of the Defence Department, the Controller of Civil Aviation, Colonel Horace Brimsmead, recommended government acquisition of

161 acres of the paddock for use as an airport.

Late in 1921 preparation of the aerodrome for the inauguration of a regular air service from Adelaide to Sydney began. The service began in June 1924.

Among the early arrivals at Mascot was W. J. Hinkler, who in March 1928 completed a record England to Australia flight at Mascot.

Late in the 1920s Charles Kingsford Smith and Charles Ulm founded the original Australian National Airways and operated regular services from Mascot to Melbourne and Brisbane.

In May 1930 Amy Johnson landed at Mascot after her history making flight from England. And the same month the government approved the construction of a gravel runway 500 yards long.

In September 1935 Mascot was officially declared an international airport, in official prose . . . "a landing place for vessels engaged in navigation by air arriving from overseas."

Today Kingsford Smith Airport, as it has been named, is a 1600-acre front line aviation city capable of handling the most advanced airliners in the world, the Boeing 747 and the Anglo-French supersonic airliner, Concorde.

As well as the domestic airlines, 19 international airlines fly into the airport.

The Federal Government has told TAA, and Ansett, that they can plan on operating from their Mascot terminals for at least 10 years. In the unlikely event that soil is turned on a new airport site in the next 12 months, it could be easily another 15 years before major operations moved from Mascot.



TAA is now evaluating several wide-bodied jets for possible use in the future. Among them are the Lockheed Tristar, above, and the European Airbus, below

Wide-bodied jets – the \$116m question

SINCE THE war, aircraft acquisition by the domestic airlines has been surrounded by more than a little political debate. The current evaluation by TAA and Ansett of wide-bodied jets is no exception.

The Minister for Transport, Charles Jones, has let it be known he favors the early introduction of wide-bodied planes, partly because they are quieter and also because they would help stem the growth of flights into the political battlefields... airports, notably Sydney.

He asked for a decision from the airlines by the end of this year on the issues surrounding wide-bodied jet introduction. However mainly due to economic instability and passenger growth uncertainty and the fact that a decision to buy a wide-bodied plane would be the biggest acquisition decision ever taken by the airlines, neither TAA nor Ansett has been too anxious to hurry.

Now it seems the airlines will make a decision on whether or not to move into wide-bodied jets and a proposed introductory date in the first half of next year. A decision on the type of aircraft to purchase may be made by the end of next year, that is, if the airlines decide to go ahead.

There have been three wide-bodied aircraft under close evaluation by the airlines. They are the Lockheed Tristar, the DC-10, and the European Airbus. And another plane has now entered the picture: a short-range version of the Boeing 747.

However there are very strong arguments for not moving into wide-bodied aircraft at this stage. One argument is that the airlines should continue with Boeing 727s for the time being. The airlines have already purchased Boeing 727-200s (a stretched version) and could buy the 300 series, which is even bigger.

TAA's new Sydney terminal has been designed to handle wide-bodied aircraft.

Naturally, for the airlines, the main consideration is to estimate when traffic growth justifies moving into a wide-bodied jet which is, after all, more than twice as big as the Boeing 727-200. Although there is a clear demand for extra capacity on some routes at peak periods, the new aircraft would have to get economic loads consistently at a high utilisation rate.

The European Airbus, or the A300, is manufactured by a European consortium, Airbus Industrie. Seating up to 345 passengers, it is powered by two General

Electric CF6-50C turbofan engines. Although in all-economy configuration it seats up to 345 passengers, Ansett and TAA would probably operate it in a first and economy class configuration of about 250 seats.

In a first and economy configuration, the Lockheed Tristar, or L-1011 would seat about 350 passengers. It is powered by three Rolls-Royce RB-211B engines.

The DC-10, which has about the same capacity as the Tristar, is the only one of the three aircraft flying into Australia on commercial service. The Tristar and the Airbus have made promotional visits.

Versions of the DC-10 and the L-1011 would cost the airlines about \$16 million each. These aircraft would be equipped, but without spares. At present estimates the A300-B2 would be cheaper at \$14 million, but if the airlines go for the Airbus they are likely to want the A300-B4, which is a longer range version in production for Iberia, the Spanish airline. This long-range plane would cost about \$15 million.

The political reasons in favor of early introduction of wide-bodied aircraft are two-fold. The bigger aircraft would mean that frequencies of services would be cut, initially at least. This would mean the number of domestic flights into Sydney



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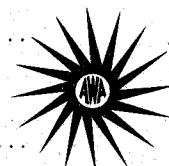
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airport would not continue to grow at the present rate. Secondly, all three aircraft are quieter than the jets already in service.

On the other side of the picture there are good arguments for continuing down the Boeing 727 line and not hurrying into a move to wide bodies. Statistics compiled following the introduction of wide bodies in the United States domestically have indicated there is a passenger preference for direct flights at high timetable frequencies.

Because of the size of the wide-bodied aircraft there may be fewer "city pair" services linking cities such as Melbourne and Brisbane, or Sydney and Adelaide, because it may be difficult to get economic loads on the big planes for regular services. Also cuts in frequencies may not be too noticeable between Melbourne and Sydney, but could cause inconvenience to passengers wanting to fly from Perth.

In the U.S. where there is severe competition between airlines Braniff opted to stay with Boeing 727s, while a competitor on some routes, American Airlines, bought wide-bodied planes and cut services and limited city pairs. After the initial excitement of a new aircraft and the joys of a piano bar aboard, it became clear passengers were opting for Braniff's higher frequencies and city



A DC-10, another of the wide-bodied jets TAA is considering for use in the future

pairs. Today American has a number of wide-bodied jets sitting in mothballs.

Tipping which of the three main contenders will be chosen by the airlines has become a pastime with the airlines. Following a visit to Airbus Industrie by Charles Jones the odds on the Airbus shortened sharply, then it was the Lockheed Tristar and now the DC-10 has become the favorite. But it is still early days.

One problem with the Airbus is the fact that the aircraft is the first produced

by a new consortium. Similarly, Lockheed has been in financial trouble over the past few years and although Lockheed people hasten to point out their sales are at a high level, memories linger.

The wide-bodied plane selected would take the airlines close to the year 2000. Therefore both airlines want to be sure technical back-up will still be available in 20 years.

There is general agreement: wide-bodied jets will come. The question is when.

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Top man was there from the beginning

CIVIL AVIATION is a highly political matter in Australia. Since the inception of the two-airline policy everything from fares to aircraft acquisition has come under the scrutiny of successive ministers. It is fair to say that from time to time neither TAA nor Ansett Airlines has been happy about government decisions.

The airlines always have problems. If it is not increased air navigation charges, it is pilots' pay. If it is not the evaluation of a wide-bodied aircraft, it is the construction of a new terminal. At present one of the problems bugging the airlines, is a down-turn in traffic growth.

Lyn McKenzie knows the scene. He joined the fledgling TAA just after World War II, and for many years he has been in every major decision involving domestic civil aviation in Australia.

Born at Cowell in South Australia, McKenzie began his working life in local government. He studied accountancy.

From 1940 to 1946 he served as an aircrew member with the RAAF rising to the rank of flight lieutenant. He spent the last year of the war as a prisoner of the Japanese in Java.

He joined TAA on July 1, 1946, in the finance department, then moved into the administration and airport management areas.

In 1955 he was appointed Victorian manager and after a brief period as administration assistant to the general manager, was made Queensland manager.

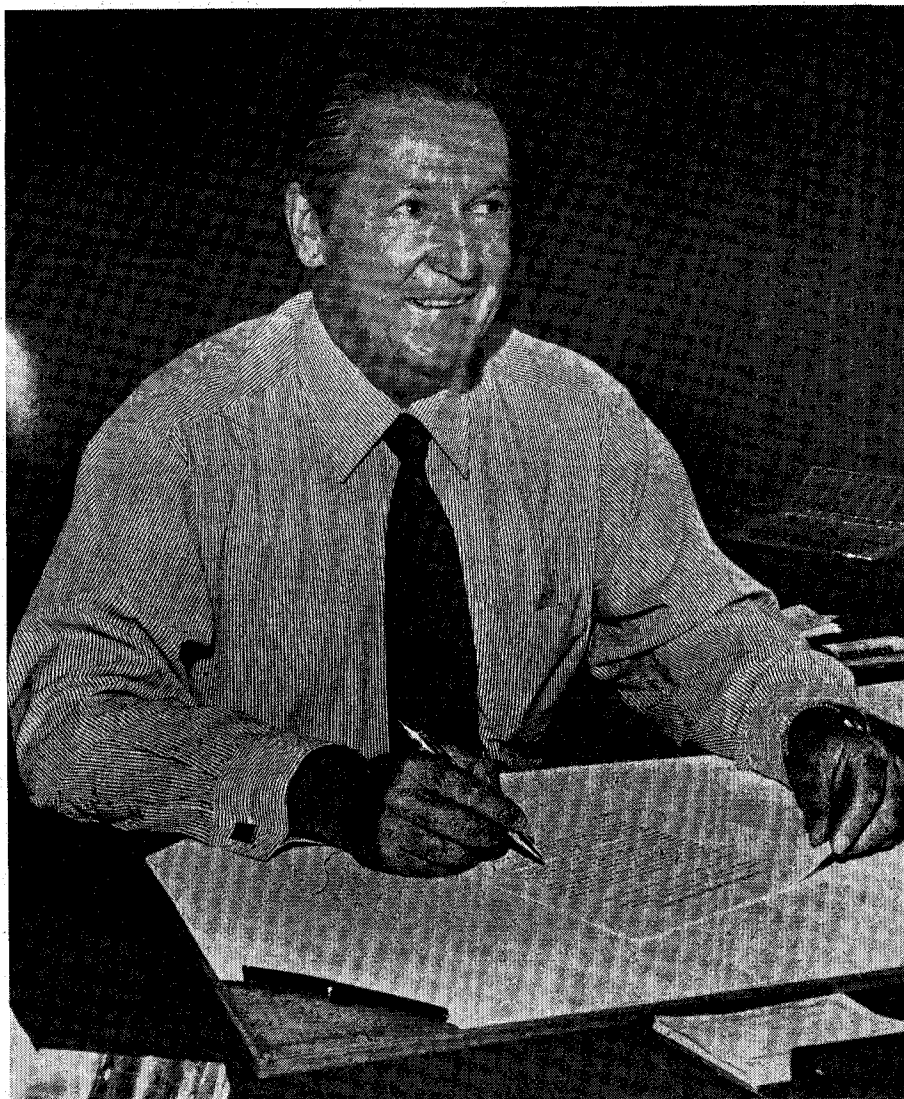
On December 19, 1957, he was appointed commercial director, a position he held until his appointment as assistant general manager in August 1971.

Following the death of John P. Ryland, who had been the airline's general manager for 18 years, he was appointed general manager in October last year.

Here he freely answers questions about the industry...

Question: Air transport has contributed a great deal to the development of Australia. What do you see as the future of domestic air transport?

Answer: There is a downturn in the growth rate at the present time which I think is pretty much in line with business activity generally. I am not too pessimistic about it as I think growth will continue. The prime facility for getting people around Australia — moving people interstate — is by air. There is no doubt about that, and there is no practical alternative. If you take motor cars out of it — and some roads are in pretty poor shape — and look at the volumes of



TAA's Lyn McKenzie: survival depends on running the airline on free enterprise lines

interstate passenger traffic being carried by air compared with rail you will find the airlines carry at least five times as much traffic as the railways in spite of the fact that rail fares are much lower.

Our growth over the past decade has been 10 to 12 percent. The best information we can get indicates rail growth is not much better than the population growth.

Once the downturn is over I believe we will revert to our trend growth rate of 10 percent, or maybe more.

Q: What is the passenger growth rate at present?

A: It is hard to determine as we haven't got a good base with which to compare it because of disruptions caused by industrial disputes in the corresponding traffic periods. I would think from

an industry point of view we are down to probably around five or six percent. Six months ago, the growth rate was closer to eight percent. I would think we cannot look for much improvement on five or six percent for the rest of the financial year. It is hard to assess, but we may even drop back a bit further before we start to improve. But in the long term we are not really pessimistic at all.

Q: The two-airline policy continues to be a topic of considerable discussion. Do you think it has worked well over the years and do you think it can continue to operate successfully?

A: I think it has worked very well indeed over the years. The proof of that is that airlines around the world are in a considerable amount of financial difficulty. We are having our troubles,

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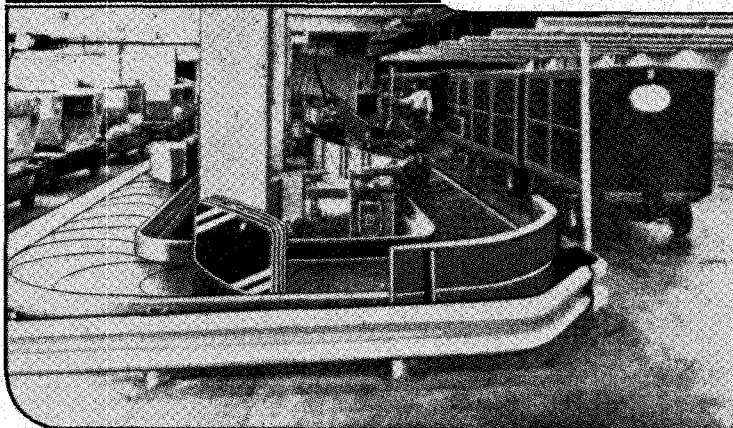
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too, but I think that we are not as badly off as many of the other airlines. I think that the two-airline policy must be given some of the credit as our economic viability is partly due to the controls in respect of passenger and freight capacity. And it is notable that since the fuel and energy crisis around the world other airlines have been forced to some sort of capacity rationalisation. It seems to me that they are beginning to realise there is something in capacity controls. Capacity control has been one of the characteristics of the two-airline policy since its inception. It's been a major factor in assisting the finances of the two airlines because over supply of capacity is critical in terms of profitability. Industrial negotiations within the system have proved difficult and there is evidence of this right now.

Q: Everyone knows there is a considerable amount of discussion between TAA and Ansett. From TAA's point of view how much room is there for commercial initiative? Are commercial initiatives often hindered by the system?

A: There is a considerable amount of commercial initiative exercised by both companies. I think it is true to say that the domestic airline system in this country is as competitive as most industries and more competitive than many. You might ask: "Where do you compete?" We are required under the legislation to confer on the economics of the industry to make sure there is not wasteful competition. I think we have succeeded in conforming to that requirement while still retaining a considerable amount of competition. If one airline or the other doesn't measure up competitively in terms of providing service to the public economically, then I think the future for both of us — and that includes TAA as well as ATI — will be in jeopardy.

We are required to confer on many aspects of running an airline and this has reflected itself in some advantages to the public. It does keep costs down and minimise tariffs. Australia has done pretty well in keeping tariffs down. It is also reflected in engineering and pilot training efficiency, and standards of management.

Q: Are TAA's commercial initiatives ever hindered by the system?

A: No I don't believe so. The point is that if you take a commercial initiative — as we frequently do, both of us — and if you are successful you are quickly followed by the other one. I suppose you could discuss scheduling in this context and I think it is very true that both of us — and I am certainly speaking for TAA — have tried very hard to overcome criticisms that have been levelled at the industry about parallel scheduling. We have on various occasions taken initiatives and we have experimented with new time channels which were not parallel with our

competitor. If your initiative is successful and you are getting the traffic and your competitor is not he is going to move over along side you. If you are going to allow free competition then that sort of development is difficult to avoid.

Q: It seems that parallel scheduling doesn't really matter on Melbourne-Sydney, Sydney-Brisbane, and major routes, but that it can affect flights to Darwin and flights to Perth. What are the problems with separating schedules?

A: Let me give you an example. A couple of years ago we introduced a new schedule for the Perth route based on a 5 p.m. departure from Perth. We canvassed



A Viscount airliner, the first turbo-prop used by TAA. It was a big advance at the time but now the airline is looking ahead to the use of wide-bodied jets

many opinions from the business community and other sources and were told a flight about this time of the day was badly needed. We spent a lot of money advertising and promoting this new time slot and we adjusted it slightly to provide better connections on the east coast. Yet loadings were poor and eventually we had to give it away in favor of the traditional and popular early afternoon departure.

I believe it is true to say that the schedules reflect popular demand, and it is not an easy matter to change travel habits by simply altering the time of departure of a service. And I don't think I am being unfair by saying that although people might say they want to travel at a different time slot to those available when it comes to the test they usually take the time they know — habits are hard to change. However we are currently trying to make some changes which will provide separation of departure times where these are most desirable and we hope to have some success soon. We fully appreciate the public interest in this matter.

Q: When you say you would lose a considerable amount of money by varying the times of Perth flights do you mean that people want to leave Perth at that time or is it that they have to connect with flights at the other end?

A: It is both, and in addition the effect on other schedules is most important. The overall scheduling and utilisation of the

total fleet must be taken into account.

Q: Is the downturn in traffic growth caused by the same problems causing the downturn in the world airline industry or are your problems due to the Australian economy?

A: Most of our traffic is internal traffic. The effect that international traffic has on our services is not significant and therefore one is forced to the conclusion that our own economy is the most significant factor.

Q: Continuing on this issue, though, the cost of your aviation fuel has not been hit as the international cost of the fuel has been?

A: No it hasn't, but I should remind you that for a long time we have been paying the inflated or increased prices that the international operators now are finding they have to pay. This is because we pay over 100 percent tax on fuel. The increases the government is imposing on the international carriers, including Qantas, brings their cost of fuel into line with the prices we are paying.

Q: What is the current situation regarding the possible introduction of wide-bodied jets? Is there any difference between TAA and Ansett's point of view?

A: I can't answer the latter part of the question because we haven't got down to any serious discussion with Ansett as to the aircraft best suited or the time of introduction. We have been working hard on the evaluation of wide-bodied aeroplanes in the hope we will be well along the road towards selection of a type by the end of this year and be in a position to be definitive about it by about next March. We don't want to be held to that time scale at the present time because of the uncertainty of the immediate future. We want to see what happens as far as traffic is concerned before we make any definite decisions on the matter. But that is not to say we are slowing up our activity in the evaluation of these aircraft.

The more difficult decision right at this moment is the introductory date. We need a little more time; a little more observation so that we can estimate what



Great Keppel Island: "We want to make our diversified activities as self-supporting and as profitable as we can"

the economic situation might be over the next 12 to 18 months. We have got to be certain there is sufficient traffic to make these very large aircraft economic.

When introducing bigger aeroplanes we have to live with lower load factors and the critical consideration is — apart from the important fact that they are quieter and contain frequency of operations at congested airports — having enough traffic to provide an economic load factor. And the most difficult period for economic utilisation of new aircraft is always the first couple of years. For fairly obvious reasons they need expensive ground support equipment and facilities. You have to equip yourself with this essential support whether you buy one aeroplane or three or four. Obviously you don't have nearly the same expenditure for your second and third aircraft as these facilities are already available.

We did plan to introduce the aircraft — until the downturn in growth became obvious — in 1977. I believe we now need a little more time to examine this.

Q: Apart from the Lockheed Tristar, the European Airbus and the DC-10 what other aircraft are you considering?

A: Well, we have been considering two Boeing aircraft. They are proposing a stretched version of the advanced 727-200, the 300 series. We are interested in that. But Boeing have stimulated some further interest in a domestic version of the 747. It is what they call a special purpose aeroplane. It is shortened by 50 feet and with further developments they claim they can make it highly competitive with the other wide-bodied jets in terms of price and operating costs. I think the real test is if they can make it competitive with the DC-10 and the L-1011 — which are bigger than the A300B — in terms of the initial purchase price and aircraft-mile operating cost. This would make it more competitive on a seat-mile cost. As it would have more seats than the others we would be able to operate it economically with the same number of passengers which means a lower break even load factor and more seats for future growth

and peak periods. But if we have to fill those additional seats to make it competitive economically then that is a different matter.

It depends very largely on what Boeing can come up with . . . Boeing is claiming these 747s are 90 percent compatible with the aircraft Qantas are operating and if Ansett and ourselves had the same front-line equipment this would have some advantages from a national point of view as well as for the operators in terms of interchangeability and common facilities.

The other thing about the 747 is that it is a well-proven aeroplane. It has been in service a long time; considerably longer than any of the other aeroplanes.

Q: In common with most of the world's airline heads today you have risen through the airline on the commercial rather than the operational side. Do you think pilots and other operational people will have a diminishing role in the very senior management of airlines?

A: Today there is not nearly the financial incentive there may have been a few years ago for pilots to move into management. Pilots who may be encouraged to go into senior administrative posts now want to maintain their flying capability for financial reasons. I think that will be the biggest consideration in the movement of active flying people into the administration.

Q: TAA has already made some moves towards diversification. How are these ventures going and what is the future in this area?

A: They are going very well indeed. As with other things, I would have to concede they have been slowed down a little by the downturn in traffic and economic activity generally. Our joint company with Mayne Nickless — AAT — is progressing very well. Already it is complementing our airline traffic quite significantly. This is perhaps made more important by the fact that the greatest downturn in traffic growth has occurred in business traffic rather than in the field of private or holiday traffic in which AAT is specialising. Therefore AAT is helping us to maintain our growth in that area.

As you know we also acquired a 51 percent interest in Great Keppel Island. We are in the process of developing the island and we are hopeful of making that into an attractive holiday resort. We do not intend to make it a luxury resort as we want to provide the best possible facilities at the lowest rates possible. The purpose of Great Keppel and any other resorts TAA may acquire is to complement the airline and to assist the tourist industry generally.

The tourist industry needs some assistance. It needs some capital and in certain areas there are some deficiencies

Soaring fuel prices, spiralling inflation, high interest costs and environmental considerations have turned the business of airline economics upside-down.

Now the wide body A300 comes along at the right time to provide far lower operating costs, significant new revenue potential and a new standard of quietness.

One A300 can save \$11 million on fuel alone.* In the course of its expected service life, one A300 will save something like \$11 million over the latest narrow-body tri-jet. In fact it uses less fuel per passenger than any airliner over the short and medium haul routes for which it was designed.

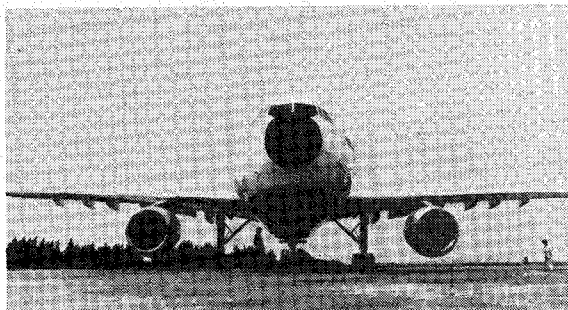
\$19 million more on freight.* The A300 has an underfloor cargo capacity that can produce \$19 million more in revenue than the narrow-body tri-jet and \$12 million more than the latest wide-body tri-jet. This cargo volume gives the A300 a breakeven potential on cargo alone.

The airport neighbour's friend. The A300 is the world's quietest airliner (F.A.A. Certificated). It has a 90 EPNdB noise level area of only 4.4 square miles. Compare that with the narrow-body tri-jet area of 13.5 square miles, the 7.6 square miles of wide-body tri-jets and the 58 square miles of older 4-engine jets. And, of course, the A300 is entirely smoke-free.

All without making any allowance for the A300's passenger appeal. Passengers ride like guests in new generation wide-body comfort, never more than one seat away from an aisle.

When you consider that it costs less to buy and less to operate (aircraft mile costs) than any other wide-body jet on inter capital flight routes such as ours, the A300 surely is the right plane for today's economics.

*Facts based on 10 hour day utilization, 500 mile stage length, fuel 25c per gallon, 15 year service life. Comparisons based on same ASM productivity and 55% cargo load factor. Figures expressed in U.S. dollars.



AIRBUS A300 The right plane at the right time.

AIRBUS INDUSTRIE

Represented in Australia by:

 **Hawker de Havilland and O.F.E.M.A.**

The right plane for today's economics.





TAA's maintenance base at Tullamarine airport has the biggest hangar in the southern hemisphere. Most of the routine servicing, required to keep the fleet flying, is done here at night

in management. We are hopeful we can assist in these areas, which will mean some added growth to the industry.

Our prime purpose in all these diversifications is to complement the airline. Naturally, we want to make our diversified activities self-supporting and as profitable as we can.

Q: With diversification, will you always stay in the travel industry?

A: We must.

Q: I mean, could you be interested in road freight?

A: We haven't any immediate plans for this, but our close association with Mayne Nickless gives us perhaps an indirect interest. However I believe our main interest will continue to be diversification into the leisure market — perhaps involvement in other resort areas where we can assist development. We would not necessarily have a big financial involvement ourselves but would supply a very vital and important marketing and transport role to support such places. We have done this in the past but our efforts were limited because we were not free then to support any of these projects with any sort of financial participation.

Q: What are the airline's plans regarding the introduction of more promotional or concessional fares and what are the problems associated with the introduction of such fares?

A: Well you have got to be careful because when you introduce reduced fares, as the demand for those fares grows, you can find you are left with merely a lower level of tariff. With costs rising as they are a great deal of judgment has to be exercised as to how far you can go in reducing fares. We have been quite successful — and I might say we were

responsible and took the initiative, I believe — in introducing a number of incentives that now exist, notably the off-peak excursions. I believe they are working very well and are giving us a good return.

I believe they have extended the market and have made air transport available to many people who would not have otherwise travelled by air. But there is a limit to what you can do in this area as costs are going higher and you have got to match those increased costs with greater revenue.

Q: You said you ... TAA ... took the initiative on the off-peak fares. Do you mean TAA rather than Ansett?

A: Yes I do. Ansett agreed. But we took the initiative by putting the proposal forward and pressing for their introduction.

Q: How important are travel agents to TAA?

A: Very important indeed. I think the travel agency industry in Australia does a very good job by and large. We rely on them quite heavily for sales outlets. There are about 775 TAA travel agents around Australia. They provide an efficient service and they certainly make air travel and holiday travel accessible to people in all parts of Australia.

Q: What proportion of ticket sales would be made through travel agents?

A: I would say about 30-35 percent.

Q: So the airline sells most of the tickets itself?

A: Yes.

Q: But isn't an airline a big business today. It just happens that you are earning money flying aircraft. How much can pilots and other operational people contribute to the actual business?

A: You need people with their skills to participate in the management. We have got management pilots. They are very valuable. And we hope more pilots will consider management opportunities. But because of the reduced financial incentive it will be more difficult to take people out of the flying field into the management field. This is a problem which has to be tackled as these people are a necessary part of the management team.

Q: Commercially, how is TAA going?

A: Under all the circumstances and difficulties we are confronted with at the present time, reasonably well. I think that can be summed up by saying we are currently profitable, but we are not as profitable as we expected to be when we made our estimates at the beginning of the year.

Q: TAA is in the strange position of being a government-owned body in a free enterprise world. Do you see yourself as a free enterprise man or the head of a government body?

A: We have to operate as a free-enterprise organisation. This was our charter. We were to compete with private enterprise and if we are to survive we must have a free-enterprise outlook on the running of our business. Everything we do is based on what a normal public company would do. We are required to pay all the taxes a public company is required to pay. We are required to compete as any other trading organisation does. The whole background of the two-airline policy is to give each of the two operators equal opportunity, but after that you are on your own and that's the way we like it.

- 4. TAA's new terminal is spacious and roomy.
- 5. Our big new Jet Cargo Terminal, right next door.

TAA

YOU
GET A
LITTLE MORE
THE
FRIENDLY
WAY

