Trans-Atlantic airway lie in the British Commonwealth and from the earliest days of aviation the Canadian Government has watched its development with growing interest. The length of the ocean crossing and the climatic difficulties have delayed the establishment of any regular service by this route, but, with the advance of aeronautical and radio science and meteorological services, these are being conquered.

At the invitation of the Government of Newfoundland, representatives of the Canadian and United Kingdom Governments visited St. John's, Newfoundland, in July, 1933, for a conference on trans-Atlantic flying. This conference was also attended by representatives of Imperial Airways and Pan American Airways. The result of this conference was close co-operation between the three Governments in certain preliminary surveys and meteorological studies.

An agreement for co-operation in the establishment of the Trans-Atlantic air service by the Governments of Canada, the United Kingdom, the Irish Free State, and Newfoundland was reached by representatives of these Governments in Ottawa in December, 1935. Since the friendly co-operation of United States interests, rather than the institution of a rival service, was highly desirable, at the close of the Ottawa Conference in December, 1935, the representatives of the Commonwealth Governments proceeded to Washington and an agreement was reached with representatives of the United States Government for their co-operation in the institution of a regular transatlantic air-mail, passenger, and express service. practical results of these two conferences were the trial flights made by aircraft of Imperial Airways and Pan American Airways during the summer of 1937. Flying boats were used by both companies, Imperial Airways operating two of the new 'Empire' type, high wing monoplane boats, while Pan American Airways used the 'Clipper' flying boat, a type which had been successfully flown on their trans-Pacific service. The success of these trial flights inspires confidence that, in a relatively short time, commercial transatlantic services will be in operation.

Canada's share in the trial flights has been confined so far to the provision of seaplane bases, meteorological and radio services in Canada and, as regards the two services last named, in Newfoundland as well. Under the Ottawa Agreement, when the trial flights justify the establishment of a regular service, a joint operating company will be formed by Imperial Airways, Trans-Canada Air Lines and a company nominated by the Irish Free State for the permanent operation of the route. Negotiations are now proceeding between the three companies for the establishment at an early date of such a joint operating company.

## Subsection 2.—Administration.

Civil aviation, previously administered by the Department of National Defence, is now a function of the Department of Transport, created in November, 1936.

The administrative duties under the Controller of Civil Aviation include the inspection and registration of aircraft and air harbours, the licensing of commercial and private air pilots, air engineers and air navigators. In addition to these duties, the location and construction of air routes and any matters connected with airship services are administered in this Branch.

Provincial Government Operations.—The Ontario Provincial Air Service owns 25 aircraft, which are operated by the province in the work of forest fire protection, transportation, air photography and sketching in northern Ontario. The Manitoba Government Air Service operated, in 1937, 6 aircraft on forest protection