

**Tariffs.** In Canadian bilaterals, some progress towards less control of scheduled tariffs has been made but liberalization is a gradual process. Some agreements negotiated in the 1970s with major traffic countries still require carriers to agree to tariffs. These include France, Germany and Greece as well as the older agreements with Switzerland and Italy. Even in some recent bilaterals, Canada has acceded to restrictive tariff regimes such as Singapore, Korea and the Ivory Coast.

**Fifth Freedom Rights.** Canadian carriers have access to fifth freedom rights in agreements with a number of European and Pacific countries, but are much more restricted in South America and the Caribbean. Only one route to the US allows fifth freedom rights (to the South Pacific via Honolulu). Foreign carriers have very limited fifth freedom rights beyond Canada, with the exception of routes to the U.S. where 35 nations have such rights.

**Charter Activity.** Canadian charter activity is concentrated on Europe, the Caribbean (including Mexico) and the U.S. The more restrictive regimes in Europe are those with less charter activity.

## **E. Bilateral Process and Procedures**

### **1. The Negotiation Agenda and Mandate**

Within the context of overall air policy, the initiative for undertaking a particular negotiation may come from the other country or from Canada. In Canada, it has most often been the case that the carriers identify an interest and urge the government to enter negotiations. On occasion, the government has taken the initiative in light of its views