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Canada - U.S. Air Agreement: The Department of External Affairs announced on June 5 that the delegations representing the Canadian and United States Governments which have been discussing bilateral air arrangements between the two countries have concluded and signed a new bilateral air agreement on scheduled air services to replace the one presently in effect which was signed early in 1945.

The new agreement differs from its predecessor in form in that it adopts the pattern for bilateral agreements that has been evolving in recent years. This pattern, which is based on certain standard articles developed at the Chicago International Air Conference in 1944, is known generally as the Bermuda-type agreement since the first agreement of this type was concluded in Bermuda between the United States and the United Kingdom.

The new agreement provides for the exercise of traffic rights in each country by scheduled airlines of the other on certain agreed international through routes. Certain changes were made in the existing network of trans-border air services between the two countries.

The changes in trans-border services are that the United States has been granted a direct route between New York and Toronto, replacing its existing route from Buffalo to Toronto. This route will directly parallel the existing Canadian route from Toronto to New York. The United States has also received a route from Great Falls, Montana, to Edmonton, Alberta, which may be operated in conjunction with the existing U.S. service from Great Falls to Lethbridge.

Canada has received a direct route from Montreal to New York which will directly parallel the existing U.S. route between New York and Montreal.

Under these arrangements carriers of both countries may both operate between the largest city in the United States and the two largest cities in Canada. In other respects the existing pattern of trans-border services is not changed.

In addition the United States has been granted two international through routes, the first from the United States through Gander, Newfoundland, and on across the Atlantic and the second from the United States through Edmonton to Alaska and the Orient. U.S. carriers on these routes may pick up and set down traffic at Gander and at Edmonton.

Canada has been granted a through route to Hawaii and on to Australasia and a through route to Florida and on to the Caribbean. On these routes Canadian carriers may pick up and set down traffic at Honolulu and at Tampa, Florida.

World 1949 Wheat Crop: The outlook for the world's 1949 wheat crop has shown some improvement over the past month, states the Bureau of Statistics in its monthly review of the wheat situation.

The May 10 crop report of the United States Department of Agriculture placed the current winter wheat crop at 1,021 million bushels and indicated that with average yields on the prospective spring wheat acreage, a total wheat crop of 1,312 million bushels could be harvested. A crop of this order would approach the 1947 record of 1,367 million and would exceed by a wide margin the 1937-46 average of 943 million bushels.