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# news release

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## CANADA SERVES SINGAPORE WITH NOTICE OF TERMINATION OF THE BILATERAL AIR TRANSPORT AGREEMENT

The Secretary of State for External Affairs, the Honourable Barbara McDougall, and the Minister of Transport, the Honourable Jean Corbeil, today announced that Canada has served Singapore with one year's notice of termination of the bilateral Air Transport Agreement.

Canada has taken this action because, on June 1st, Singapore International Airlines (SIA) opened a transatlantic service to Toronto, which is placing heavy emphasis on the carriage of Canada-Europe traffic.

"The current situation is detrimental to Canadian carriers," said Mr. Corbeil. "Although Canada recognizes the importance of maintaining direct air services between the two countries, the Government must take this step to defend Canada's interests. The next 12 months will give an opportunity for the renegotiation of a more equitable Agreement."

"Canada values its excellent relations with Singapore and would not wish the dispute to have a negative effect on our relationship," said Mrs. McDougall. "However, Canada will stand firm on this issue. This matter must be resolved to our mutual benefit."

Canada's notice of termination is the result of months of unsuccessful consultations between officials, airline representatives and Foreign Ministers from both countries. In these consultations, Canada sought to redress the damage caused by the new SIA services between Toronto and Singapore via Amsterdam and Vienna.