Following my approach to Air Canada's management, the Corporation announced on Thursday, October 23 that it is ending its General Sales Agency Agreement with SAA in Canada and with a private agency in South Africa. Such agreements traditionally exist between airlines which do not fly between one another's country. As a result of the abrogation of this agreement, however, Air Canada will no longer be involved in facilitating travel to and from South Africa.

Further, Air Canada has agreed that when SAA closes its doors in Canada on November 1, it will not undertake to serve as SAA's official agent here.

Finally, Air Canada is examining its legal obligations under the IATA to ascertain whether it is in fact obliged to sell interlining tickets to Canadians travelling on Air Canada flights to connector points, with South Africa being their ultimate destination.

I am writing to the Presidents of other Canadian airlines commending to them the actions which have been taken by Air Canada.

I believe the effect of our interventions has been to strengthen the integrity of the Canadian ban on air links and on tourism promotion to South Africa. Thank you for having raised the matter in the House of Commons.

Yours sincerely,

Joe Clark"

- 30 -