

EMBASSY OF THE UNITED STATES OF AMERICA

Ottawa, January 17, 1966.

No. 279

SIR:

I have the honor to refer to your Note No. L-10, dated January 17, 1966, which reads as follows:

"I have the honour to refer to the Air Transport Agreement concluded today between our two Governments.

"This Agreement provides for a substantial expansion of air services by airlines of both countries and will be of major importance for the airlines and their users. The rapid continuing growth of air traffic between Canada and the United States however will require that the two Governments consider again within a reasonable period of time what additional changes may be necessary to ensure that air services between our two countries satisfy the needs of the travelling public and the airlines of both countries, consonant with the principles set forth in the Preamble of the Agreement and the objectives set forth in paragraphs (a) and (b) of Article I.

"It is also recognized on both sides that certain proposals which were made regarding additional routes or services have not been included in the Agreement. It is understood that the United States is interested in direct access for its airlines to the City of Montreal from the City of Chicago. Similarly, Canada is interested in access for its airlines to the City of Los Angeles from the City of Vancouver and in providing service from the City of Winnipeg to the City of Chicago.

"During the discussions it became apparent that, for various reasons relating to the present volume of traffic and other factors, the time had not yet come to deal with these particular matters. On the other hand, continuing growth of air-traffic may well before many years have passed change the situation with regard to the matters mentioned in the preceding paragraph of this Note and may create new situations in which consideration should be given to other and new direct through services between the two countries. Recognizing the importance of the principles which underlie the new Agreement and the progress which it represents, as well as the need to ensure that the Agreement is reviewed from time to time so that it may reflect traffic growth, it is proposed that the situation with regard to air routes should be re-examined early in 1969. The specific issues mentioned above which have been left outstanding, as well as new route interests which may arise in the intervening period should then be discussed to determine whether a further improvement and extension of routes in the interests of the users and the airlines of both countries would be desirable.

"I should be grateful if you would confirm that the Government of the United States of America concurs in the statements set forth in this Note, the English and French versions of which are of equal authenticity."