

OTTAWA - ROME AIR PACT

The Minister of Transport, Mr. Hees, issued on November 20 the following statement on the air agreement between Canada and Italy that had just been announced by the Secretary of State for External Affairs:

"The development of air services under this agreement will do a great deal not only to foster the growth of Canadian aviation, but to facilitate the movement of travellers between Canada and Italy and improve the already existing good relations between the Canadian and Italian governments and peoples.

"The agreement provides for the establishment of Canadian and Italian air services between Montreal and Rome, effective March 1, 1960. It is expected that the Italian airline and the Canadian airline initially designated under the agreement will operate on the basis of two round trips each weekly to begin with. Additional frequencies might be added later for both airlines as a result of further agreement between the two governments if traffic so warrants.

"Under the agreement Canada is granted the right to operate from Canada to Rome by way of Lisbon or Paris, with intermediate pick-up rights at Lisbon and/or Paris, and to operate with onward traffic rights from Rome to Bangkok and points beyond. Italy is granted the right to operate on a route from Italy to Montreal without intermediate pick-up points but with onward rights from Montreal to Mexico, Chicago and Los Angeles (subject, of course, to the agreement of the Mexican and U.S. governments)."

In addition, Mr. Hees pointed out, with reference to the international aviation policy of Canada, that he had previously announced, in making his general statement on aviation policy at Timmins on February 7, 1958, that full encouragement would be given to both Trans-Canada Air Lines and Canadian Pacific Airlines to expand in the international field, but that it was not intended to place TCA and CPA in competition with each other in the international field. Careful examination had been given to the position *vis-à-vis* the route to Rome, and it appeared that, initially, service from Canada to Rome represented a logical extension of the existing CPA route from Montreal to Lisbon and Madrid. Accordingly, CPA would be designated as the Canadian airline to operate to Rome under the new agreement with Italy. It would operate this in conjunction with its present route -- Montreal-Lisbon-Madrid.

There was no immediate indication that the newly-acquired rights from Rome onward to Bangkok would be utilized in the near future, but these particular rights represent an excellent basis for ultimate expansion of service around the world if future developments in government policy should make this

feasible or desirable for either or both of Canada's major international airlines.

Mr. Hees also pointed out that CPA would ultimately be serving this route with DC-8 jet aircraft, and that when this point was reached both lines would be using the same basic type of aircraft on their major international services. He pointed out that this use of identical equipment should provide a basis for co-operation between TCA and CPA in the field of international services, which he believed could augur well for the future.

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SEAWAY TOLL HEARINGS

The Joint Tolls Advisory Board, of which the constitution and personnel were announced early last September, has made known its procedure in receiving and hearing complaints regarding Seaway tolls and in reporting upon those received to the Canadian and United States St. Lawrence Seaway bodies for determination.

The Board was provided for under the agreement of January 29 between Canada and the United States relating to tolls on the St. Lawrence Seaway. Its function is to hear complaints regarding the interpretation of the tariff of tolls, or regarding alleged unjust discrimination arising out of the operation of the tariff. The Board will report its findings and recommendations to The St. Lawrence Seaway Authority (Canada) and the Saint Lawrence Seaway Development Corporation (United States) for determination.

Plaintiffs resident in Canada are to file their complaints with the St. Lawrence Seaway Joint Tolls Advisory Board, Hunter Building, Ottawa; and those living in the United States are to file theirs with the Board at Massena, N.Y. Others may file with the Board at either address. Twelve copies of the application are required and must state the facts, grounds for complaint and relief and remedy sought.

Notice of receipt of application will be published in the Canada Gazette and the Federal Register of the United States and a copy of the application will be available for public inspection at offices of the Board at Ottawa and Massena. Interested parties will have thirty (30) days to make representations or to submit briefs to the Board.

The Board may make its findings and recommendations on the basis of filed briefs, with or without oral representations. In the event that hearings are scheduled, notice of the time and place of the hearings will be promulgated in the Canada Gazette and the Federal Register and applicants will be notified by mail.

The Chairmanship of the Joint Tolls Advisory Board rotates each six months between Canada and the United States.