

New air agreement cuts trans-Atlantic fares

If you ever felt you could not afford a trip to Canada, perhaps it is time to look again. An agreement reached at the eleventh hour between Canadian and British officials means lower fares on scheduled flights between the UK and Canada as well as fewer booking restrictions.

The new accord is one of the most liberal ever reached covering long-haul flights between the UK and another country. It means that airlines can operate from any airports with long-haul facilities in one country to any cities in the other.

In addition, Canadian carriers gain the right to carry traffic beyond London up to ten times weekly to most cities in Western Europe, and four times weekly to three points in Asia. In exchange, Britain gains reciprocal rights to operate beyond Canada to the US, Caribbean, Central America and the Pacific.

UK Transport Minister Paul Channon described the agreement as 'a further major step towards our goal of increased competition in international air services under fair conditions.' Canadian External Affairs Minister Joe Clark was pleased, too. 'The agreement provides airlines with opportunities for growth and establishes a durable framework for the future', he said.

Other features of the treaty are that all designated

airlines will be able to determine their own capacity route-by-route for bilateral services. They will also be able to determine their own passenger tariffs within a liberal arrangement of tariff zones, and set their own cargo rates.

Airlines welcome the new accord

The accord has met with the approval of all the airline companies concerned. British Airways is 'very satisfied' with the outcome of the negotiations, according to Alan Beaves, the company's Commercial Relations Manager.

One benefit he sees is that BA will be able to offer a wider range of fares. The advance booking restriction for many excursion deals will no longer apply, which means that scheduled carriers will be able to compete more effectively with charter airlines.

Although British Airways has no immediate plans to modify its route network, Beaves feels that in the long term the additional landing rights will prove most advantageous.

Air Canada's response to the new agreement was to introduce a new 'Pondhopper' excursion fare, which slashes up to 50 per cent off regular economy fares. A no-advance booking return fare from London to Toronto will now cost as little as £323, whereas previously the comparable fare was £630. The only restrictions are that the visit must be for at least a week and payment must be made at the time of reservation.

Other fares, which are considerably lower, have also been significantly reduced.

'We are delighted that the new air services agreement has allowed Air Canada to pass on such savings to the consumers,' says John Barnes, Air Canada's General Manager for the UK. 'Air Canada will be adopting a very aggressive marketing policy in the UK, which will further benefit both business travellers and holiday-makers.'

Regional airports will gain scheduled flights to Canada

Ian Mayer of Wardair is also pleased with the new arrangements. His company used to operate only charter flights between the UK and Canada, but for the past 18 months it has also been operating scheduled services out of certain airports.

'When we started scheduled operations we became very concerned about the inflexibility of the existing tariff regime,' he says. 'It didn't allow us to be competitive with chartered operators. Now we can offer a much better deal, and the main benefit will be to the consumer.'

Does that benefit include lower fares? 'We are in competition with British Airways, Air Canada and the charter airlines,' Mayer said. 'You can rest assured that passengers will get a competitive fare.'

One consequence of the agreement is that Wardair plans to make all its flights between the UK and Canada scheduled ones, including its summer services from regional airports. These include Birmingham, Cardiff, Leeds/Bradford and Newcastle.

Lower fares apart, travel between the UK and Canada has never been easier. ♦

