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PRESS RELEASE

INFORMATION DIVISION DEPARTMENT OF EXTERNAL AFFAIRS OTTAWA - CANADA

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The Minister of Transport, the Honourable Lionel Chevrier, and the Secretary of State for External Affairs, the Honourable L. B. Pearson, today announced signature of a new civil aviation agreement between Canada and the United Kingdom. The agreement which was today signed in Ottawa by Mr. Chevrier and by the United Kingdom High Commissioner in Canada, Sir Alexander Clutterbuck, replaces existing air agreements and arrangements between Canada and the United Kingdom and in addition makes provision for certain new routes and new traffic rights.

For convenience Mr. Chevrier reviewed the main features in the new agreement, a statement on which had proviously been issued, adding thereto certain information with regard to new Canadian stops in the Caribbean which had not previously been made public. Mr. Chevrier's statement was as follows:

The new agreement differs substantially in form from those previously in effect between the two Governments. It follows a standard pattern that has been developing in bilateral air agreements over recent years known as the "Bermuda" pattern but it simplifies that pattern substantially by omitting much material commonly included in bilateral agreements but now covered in the multilateral Convention on International Civil Aviation and therefore considered unnecessary in a bilateral agreement. The article governing the capacity of air services to be operated is in the new agreement the article on capacity which was tentatively agreed at a special Conference on the International Civil Aviation Organization held in Geneva in 1947. This article based on the earlier "Bermuda" pattern represents a step forward in regulation of capacity but has not yet come in general use by other countries in their bilateral air agreement.

Air services operated under the previously existing agreements between the United Kingdom and Canada are continued under the new agreement. These involve:

- 1. , A Canadian service (Trans-Canada Air Lines) from Montreal to the United Kingdom.
- 2. A United Kingdom service (British Overseas Airways) to Montreal.
- 3. A Canadian service (Trans-Canada Air Lines) from Montreel and Toronto to Bermuda, the Bahamas, Jamaica and Trinidad.
- 4. The right to operate a British service from Bernuda and the Caribbean Islands to Montreal (this right not to be exercised before 1951).
- 5. Provisional rights for a Canadian service (Canadian Pacific Air Lines) at Fiji on its route to Australasia.
- 6. Recognition of reciprocal rights for the United Kingdom at Vancouver from Fiji (British Commonwealth Pacific Air Lines in which the United Kingdom is a partner operates this service).

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In addition the new agreement covers certain important new traffic rights and routes. It includes for the first time between the two countries the principle of fifth freedom or intermediate traffic rights. Hitherto the air lines both of Canada and the United Kingdom were in the services described above limited to third and fourth freedom traffic, that is, traffic travelling between their respective territories but not traffic to and from other intermediate countries. Now the agreed routes make provision for the carriage by each of this intermediate traffic.

Spelled out in detail the new routes and the changes in routes made in the new agreement are as follows:

- 1. Trans-Canada Air Lines on its service to the United Kingdom from Montreal and Gander is able to carry traffic between the United Kingdom and Ireland, the Azores and Iceland.
- 2. Canada is given full traffic rights at Hong Kong on a new route (which will be operated by Canadian Pacific Air Lines) from Vancouver through Alaska, the Alcutians, to Japan, China, Hong Kong and beyond.
- 3. Canada also has full traffic rights at Fiji on its new route from Vancouver to Honolulu and on to Australia (Canadian Pacific Air Lines).
- 4. Trans-Canada Air Lines on its route to Bermuda and the British Colonies in the Caribbean area is granted rights in Barbados, Antigua and British Guiana and is also granted the right to carry traffic from intermediate points in third countries (e.g. Tampa-St. Petersburg which was opened up to T.C.A. in the recent agreement with the United States) to the British territories on this route. The United Kingdon will in return have similar rights in Canada from these new British points of call although they too will come under the existing arrangements under which the United Kingdom agrees not to exercise any reciprocal rights to the Caribbean before 1951. The arrangements with regard to points of call and traffic on this route for T.C.A. will in certain instances be subject to ratification by Colonial legislatures.

On the United Kingdom side the following changes are made:

- 1. On the North Atlantic, British Overseas Airways Corporation is allowed to carry traffic between Canada, Iroland, Iceland and the Azores.
- 2. British Overseas Airways on its present route to Montreal is also allowed to make a traffic stop at Gander but not to carry traffic between Montreal and Gander. (Trans-Canada Air Lines enjoys similar privileges at both Prestwick and London in the United Kingdom).
- 3. The United Kingdom is also granted full traffic rights at Gander on a North Atlantic route to New York and beyond and to Bermuda and beyond.
- 4. United Kingdom is granted traffic rights at one of Churchill or The Pas, Manitoba, on a route from the United Kingdom through Goose Bay, Labrador, to Alaska, Japan, China and Hong Kong. It is not expected that this route will come into operation for several years.