No. 405

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND and CANADA

Agreement for air services (with annex). Signed at Bermuda, on 21 December 1945

English official text communicated by the Secretary-General of the International Civil Aviation Organization. The registration took place on 13 April 1949.

ROYAUME-UNI DE GRANDE-BRETAGNE ET D'IRLANDE DU NORD

et CANADA

Accord relatif aux services aériens (avec annexe). Signé aux Bermudes, le 21 décembre 1945

Texte officiel anglais communiqué par le Secrétaire général de l'Organisation de l'aviation civile internationale. L'enregistrement a eu lieu le 13 avril 1949.

No. 405. AGREEMENT¹ FOR AIR SERVICES BETWEEN THE GOVERNMENTS OF THE UNITED KINGDOM AND CANADA. SIGNED AT BERMUDA, ON 21 DECEMBER 1945

The Government of Great Britain and Northern Ireland and the Government of Canada, desiring to conclude an Agreement for the purpose of establishing direct air communications as soon as possible between the United Kingdom and Canada, agree as follows:—

Article 1

Each contracting party grants to the other contracting party, the rights specified in the Annex to this Agreement, for the purpose of the establishment of the air services therein described. Such services may be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

Article 2

- (1) Each of the specified air services may be put into operation as soon as the contracting party to whom the rights have been granted has designated an airline for the specified route. The contracting party granting the rights shall, subject to paragraph (2) of this article and to Article 7, be bound to grant without delay the appropriate operating permission to the airline concerned.
- (2) The airline designated may be required to satisfy the competent air authorities of the contracting party granting the rights that it is qualified to fulfil the conditions prescribed under the laws and regulations normally applied by these authorities to the operations of commercial airlines.

Article 3

The competent air authorities of the contracting parties shall exchange such periodic statements as they may agree relating to the traffic carried on their respective air services to, from and over the territory of the other party, including information concerning the origin and destination of this traffic.

¹ Came into force on 21 December 1945, as from the date of signature, in accordance with article 13.

Article 4

- (1) The charges which either of the contracting parties may impose, or permit to be imposed, on the designated airline of the other contracting party for the use of airports and other facilities shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.
- (2) Fuel, lubricating oils and spare parts introduced into or taken on board aircraft in the territory of one contracting party by, or on behalf of, the other contracting party or its designated airline and intended solely for use by the aircraft of the other contracting party shall be accorded with respect to customs duties, inspection fees or other charges imposed by the former contracting party, treatment not less favourable than that granted to national airlines engaged in international air transport and the airline of the most-favoured nation.
- (3) Aircraft operated on the agreed services and supplies of fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board aircraft of the designated airline of one contracting party shall be exempt in the territory of the other contracting party from customs duties, inspection fees or similar duties or charges, even though such supplies be used by such aircraft on flights in that territory.
- (4) Each contracting party shall grant equal treatment to its own airlines and those of the other contracting party in the application of its customs, immigration, quarantine and similar regulations and in the use of airports, airways and other facilities.

Article 5

Certificates of airworthiness, certificates of competency and licences of personnel issued or rendered valid by one contracting party and still in force shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex. Each contracting party reserves the right, however, to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licences granted to its own nationals by another State.

Article 6

- (1) The laws and regulations of one contracting party relating to entry into or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft while within its territory, shall apply to aircraft of the designated airline of the other contracting party.
- (2) The laws and regulations of one contracting party relating to the entry into or departure from its territory of passengers, crew or cargo of aircraft (such as regulations relating to entry, clearance, immigration, passports, customs and quarantine) shall be applicable to the passengers, crew or cargo of the aircraft of the designated airline of the other contracting party while in the territory of the first contracting party.

Article 7

Each contracting party reserves the right to withhold or revoke the rights specified in the Annex to this Agreement in any case in which it is not satisfied that substantial ownership and effective control of the designated airline of the other contracting party are vested in nationals of either contracting party, or in case of failure by the designated airline to comply with its laws and regulations as referred to in Article 6, or otherwise to fulfil the conditions under which the rights are granted in accordance with this agreement.

Article 8

This Agreement and all contracts connected therewith shall be registered with the Provisional International Civil Aviation Organization set up under the Interim Agreement on International Civil Aviation done at Chicago on December 7th, 1944.

Article 9

If either of the contracting parties considers it desirable to modify any provision or provisions of the Annex to this Agreement, such modification may be made by direct agreement between the competent air authorities of the contracting parties, confirmed by exchange of notes.

Article 10

Any dispute between the contracting parties relating to the interpretation or application of this Agreement or of the Annex thereto, shall be referred for decision to the Interim Council in accordance with the provisions of Article 111,

Section 6(8), of the Interim Agreement on International Civil Aviation done at Chicago on December 7th, 1944, unless the contracting parties agree to settle the dispute by referring to an arbitral tribunal appointed by agreement between them, or to some other person or body. The contracting parties undertake to comply with the decision given.

Article 11

When the Convention on International Civil Aviation signed at Chicago on December 7th, 1944,¹ comes into operation in respect of both the contracting parties, references in this agreement to the Interim Agreement and the Interim Council shall be interpreted as references to the Convention and the Council. In the event of the conclusion of any other multilateral convention concerning air transport to which both contracting parties adhere, this agreement shall be modified to conform with the provisions of such Convention.

Article 12

Either contracting party may at any time give notice to the other if it desires to terminate this Agreement. If such notice is given, this Agreement shall terminate twelve months after the date of its receipt by the other contracting party, unless the notice to terminate is withdrawn by agreement before the expiry of this period.

Article 13

This Agreement shall come into force on the date of signature.

IN WITNESS THEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

SIGNED at Bermuda on this twenty-first day of December, 1945.

WINSTER C. D. Howe

¹ United Nations, Treaty Series, Volume 15, page 295.

ANNEX

- 1. An air line designated by the Government of the United Kingdom may operate a return service originating in the United Kingdom and terminating in Canada and may take on and put down at Montreal, passengers, mail and cargo for and from the United Kingdom.
- 2. An air line designated by the Government of Canada may operate a return service originating in Canada and terminating in the United Kingdom and may take on and put down in the United Kingdom passengers, mail and cargo for and from Canada. Pending the provision of a London airport, the airline designated by the Government of Canada shall be granted alternative airport facilities in the United Kingdom, not less favourable than those accorded to the air line designated by the United Kingdom.

3. The route shall be:

United Kingdom — Eire — Newfoundland — Montreal and the following alternatives:

United Kingdom — Iceland — Newfoundland — Montreal, United Kingdom — Lisbon-Azores — Bermuda — Montreal.

- 4. Trans Canada Air Lines and British Overseas Airways Corporation shall, for the operation of these services, be deemed to be qualified to fulfil the conditions referred to in Article 2, para. (2), of this Agreement.
- 5. Each air line shall be entitled to operate the same capacity. On this Agreement coming into force the total capacity shall be sufficient to accommodate up to 350 passengers each week travelling in each direction and air mails and freight. Thereafter the capacity to be provided shall be discussed from time to time between the competent air authorities of the contracting parties and adjusted by agreement between them.
- 6. The frequencies of the services to be operated by the designated air lines of the contracting parties and the load factor to be adopted for determining the frequencies shall from time to time be agreed between the air lines of the contracting parties, subject to the approval of the competent air authorities of the contracting parties.
- 7. In order to meet seasonal fluctuations or unexpected traffic demands of a temporary character the designated air lines may, notwithstanding the provisions of paragraph 5 of this Annex, agree between them to such temporary increases of capacity for either air line or both airlines as are necessary to meet the traffic

demand. Any such increases shall be reported forthwith to the competent air authorities who may confirm or modify them.

- 8. In so far as one of the contracting parties may not wish, permanently or temporarily, to operate, in full or in part, the capacity to which it is entitled under the preceding paragraphs, that contracting party may arrange with the other contracting party, under terms and conditions to be agreed between them for the designated air line of such other contracting party to operate additional capacity so as to maintain the full capacity agreed upon between them in accordance with the preceding paragraphs. It shall, however, be a condition of any such arrangement, that if the first contracting party should at any time decide to commence to operate or to increase the capacity of its services, within the total capacity to which it is entitled under paragraph 5 of the Annex, the air line of the other contracting party shall withdraw correspondingly some or all of the additional capacity which it had been operating.
- 9. Tariffs to be charged by the air lines shall, in the first instance, be agreed between them. Any tariffs so agreed will be subject to the approval of the contracting parties and, in the event of disagreement, settlement will be reached in accordance with the provisions of Article 10 of this Agreement.