No. 8502

UNITED STATES OF AMERICA
and
CANADA

Air Transport Agreement (with schedules and exchange of notes). Signed at Ottawa, on 17 January 1966

Official texts : English and French.

Registered by the United States of America on 30 December 1966.

ÉTATS-UNIS D'AMÉRIQUE
et
CANADA

Accord relatif aux transports aériens (avec listes et échange de notes). Signé à Ottawa, le 17 janvier 1966

Textes officiels anglais et français.

Enregistré par les États-Unis d'Amérique le 30 décembre 1966.

No. 8502. AIR TRANSPORT AGREEMENT[1] BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA. SIGNED AT OTTAWA, ON 17 JANUARY 1966

Preamble

The Government of the United States of America and the Government of Canada (hereinafter called the Contracting Parties) :

Being Parties to the Convention on International Civil Aviation signed at Chicago on December 7, 1944 ;[2]

Desiring to conclude an agreement for the purpose of promoting to the fullest possible extent commercial air services ;

Recognizing that the geographic situation of the two countries, including the location of their main centers of population, and the close relationship between their two peoples create a situation unique in international civil aviation ;

Believing that a route pattern established primarily on the basis of actual and potential traffic between the two countries will best serve the needs of the travelling and shipping public ;

Desiring to ensure the continued development of a system of air transport free from discriminatory practices, based on an equitable exchange of economic benefits to the two countries, and able to accommodate the needs of the people of the two countries with a minimum of artificial restraint arising from the existence of their common border ;

Desiring to ensure equitable opportunity for the airlines of the two countries to participate in the development of this system and to make optimum use of modern equipment ; and

Determined that this Agreement shall reflect the special relationship between the two countries, consistent with general international obligations ;

Have agreed as follows :

Article I

(*a*) In establishing routes pursuant to this Agreement and consistent with the principles set forth in the Preamble, the principal objective shall be to provide for

[1] Came into force on 17 January 1966, upon signature, in accordance with article XX.

[2] United Nations, *Treaty Series*, Vol. 15, p. 295 ; for the texts of the Protocols amending this Convention, see Vol. 320, pp. 209 and 217 ;Vol. 418, p. 161, and Vol. 514, p. 209.

direct service between points in the two countries where the existing or potential traffic indicates a need for such service, considering primarily :

1. the points of true origin of traffic in the territory of one Contracting Party and the points of true destination of such traffic in the territory of the other Contracting Party ; and
2. the flow of traffic between points in the two countries.

(*b*) The allocation of routes between the two Contracting Parties is designed to establish an equitable overall exchange of economic benefits derived from the establishment of air services between the two countries, including equitable opportunity for the airlines of the two countries to serve the needs of the travelling and shipping public.

(*c*) Either Contracting Party may request review of the pattern of routes set forth in the Schedules annexed to this Agreement with a view to determining whether such pattern is meeting the needs of the travelling and shipping public. Any amendments to the Schedules resulting from such review shall be consistent with the principles set forth in the Preamble and the objectives set forth in paragraphs (*a*) and (*b*) of this Article.

Article II

In accordance with the objectives set forth in Article I of this Agreement, each Contracting Party grants to the other Contracting Party rights necessary for the conduct of air services by the designated airlines, as follows : the rights of transit, of stops for non-traffic purposes, and of taking on and discharging international traffic in passengers, cargo, and mail, separately or in combination, at the points in its territory named on each of the routes specified in the Schedules annexed to this Agreement.

Article III

Except as otherwise specified in the Schedules annexed to this Agreement,

(*a*) additional traffic stops on any route specified in the Schedules annexed to this Agreement may be made in the territory of a Contracting Party by the airline or airlines designated by such Contracting Party, provided

1. such stops are between the named terminals and in reasonable proximity to the direct route connecting them ;
2. such stops may not result in service by such airline or airlines over any other route specified in the Schedules annexed to this Agreement for which such airline or airlines have not been designated in accordance with Article V ; and

3. flights on any specified route may not be originated or terminated at such additional traffic stops ;

(*b*) named points other than terminals on any of the routes specified in the Schedules annexed to this Agreement may at the option of the designated airline or airlines be omitted on any or all flights ;

(*c*) any route specified in the Schedules annexed to this Agreement having two or more terminal points may be operated to one or all of such terminal points on any or all flights at the option of the designated airline or airlines ;

(*d*) the routes specified in the Schedules annexed to this Agreement shall be operated and promoted as routes between the United States and Canada. Should a designated airline of either country provide a service to points beyond its home country in connection with such routes, public advertising or other forms of promotion by such airline in the territory of the other country or in third countries may not employ the terms "single carrier" or "through service" or terms of similar import, and shall state that such service is by connecting flights, even when for operational reasons a single aircraft is used. The flight number assigned to services between the United States and Canada may not be the same as that assigned to flights beyond the home country of the airline performing the service.

Article IV

An airline designated by one Contracting Party may not take on at one point in the territory of the other Contracting Party traffic destined for another point in the territory of such other Contracting Party. However, an airline designated by one Contracting Party to provide service over a route containing more than one point in the territory of the other Contracting Party may provide a stopover at any of such points to traffic moving on a ticket or waybill providing for transportation on the same airline on a through journey to or from a point outside the territory of such other Contracting Party.

Article V

(*a*) Each Contracting Party shall have the right to designate, by diplomatic note to the other Contracting Party, an airline or airlines to operate on any route specified in the Schedules annexed to this Agreement.

(*b*) Each Contracting Party shall have the right to withdraw, by diplomatic note to the other Contracting Party, the designation of an airline to operate over any

route specified in the Schedules annexed to this Agreement and to substitute therefor the designation of another airline.

Article VI

(*a*) Upon receipt of a designation made by one Contracting Party, and upon receipt from a designated airline of an application in the form and manner prescribed for such applications, the aeronautical authorities of the other Contracting Party shall grant to the designated airline, subject to the provisions of Article VII and with a minimum of procedural delay, appropriate authorization to operate the services for which it has been designated in accordance with this Agreement.

(*b*) The aeronautical authorities of one Contracting Party may require an airline designated by the other Contracting Party to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied by them to the operation of international commercial air services.

Article VII

(*a*) Each Contracting Party reserves the right to withhold, revoke, or impose conditions on the authorization granted to an airline designated by the other Contracting Party in accordance with Article V :

1. in the event of failure by such airline to qualify before the aeronautical authorities of that Contracting Party under the laws and regulations normally applied by those authorities ;
2. in the event of failure by such airline to comply with the laws and regulations referred to in Article VIII ; or
3. in any case where it is not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in nationals of that Contracting Party.

(*b*) Unless immediate action to withhold or revoke the authorization granted to an airline designated by the other Contracting Party is essential to prevent further infringement of the laws and regulations referred to in Article VIII, the right to withhold or revoke such authorization shall be exercised only after consultation with the other Contracting Party.

Article VIII

(*a*) The laws and regulations of one Contracting Party relating to the admission to 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 be applied to the aircraft of the airline or airlines designated by the other Contracting

Party, and shall be complied with by such aircraft upon entrance into, departure from, and while within the territory of the first Contracting Party.

(*b*) The laws and regulations of one Contracting Party relating to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, including regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew, or cargo of the other Contracting Party upon entrance into, departure from, and while within the territory of the first Contracting Party.

Article IX

(*a*) Certificates of airworthiness, certificates of competency, and licenses, 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 provided for in this Agreement, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention on International Civil Aviation. Each Contracting Party reserves the right, however, to refuse to recognize certificates of competency or licenses granted to its own nationals by the other Contracting Party.

(*b*) A technical authorization issued by the competent authorities of one Contracting Party to a designated airline to conduct scheduled commercial air services provided for in this Agreement will be accepted by the other Contracting Party as evidence that such airline is adequately equipped and able to conduct such services safely. Notwithstanding the foregoing, a designated airline of one Contracting Party may be required to apply for and obtain from the competent authorities of the other Contracting Party, before commencing service, an appropriate technical authorization for its operations within the territory of such other Contracting Party.

Article X

(*a*) Each Contracting Party may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control, provided that such charges shall not be higher than the charges imposed for use by its national aircraft engaged in similar international services.

(*b*) Neither of the Contracting Parties shall give a preference to its own airlines over the airlines of the other Contracting Party in the application of its customs, immigration, quarantine and similar regulations or in the use of airports, airways and other facilities under its control.

Article XI

(*a*) Each Contracting Party shall exempt the designated airlines of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges on fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular equipment, ground equipment, stores and other items intended for use solely in connection with the operation or servicing of aircraft of the airlines of such other Contracting Party in international air service.

(*b*) The immunities granted by this Article shall apply to the items referred to in paragraph (*a*) of this Article

1. introduced into the territory of one Contracting Party by the other Contracting Party or its nationals ;
2. retained on board aircraft of the airlines of one Contracting Party upon arriving in or leaving the territory of the other Contracting Party ;
3. taken on board aircraft of the airlines of one Contracting Party in the territory of the other and intended for use in international air service ;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the immunity.

Article XII

(*a*) The airline or airlines of each Contracting Party shall have fair and equal opportunity to operate air services over any route covered by this Agreement.

(*b*) Air services provided by the airlines of each Contracting Party under this Agreement shall be operated so as not to affect unduly the services provided by the airline or airlines of the other Contracting Party on all or part of the same routes.

(*c*) The air services made available to the public by the airlines operating over any route covered by this Agreement shall bear a close relationship to the requirements of the public for such services.

(*d*) It is the understanding of both Contracting Parties that air services provided by a designated airline under this Agreement shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for

and coming from third countries at a point or points on the routes specified in this Agreement shall be exercised in accordance with the general principles of orderly development to which both Contracting Parties subscribe and shall be subject to the general principle that capacity should be related :

1. to traffic requirements between the country of origin and the countries of ultimate destination of the traffic ;
2. to the requirements of through airline operation ; and
3. to the traffic requirements of the area through which the airline passes, after taking account of local and regional services.

(*e*) Neither Contracting Party may unilaterally impose any restrictions on an airline or airlines of the other Contracting Party with respect to capacity, frequency or type of aircraft employed in connection with services over any of the routes specified in the Schedules annexed to this Agreement. In the event that one of the Contracting Parties believes that the operations conducted by an airline of the other Contracting Party have been inconsistent with the standards and principles set forth in paragraphs (*a*), (*b*), (*c*) or (*d*) of this Article, it may request consultations pursuant to Article XIV of the Agreement for the purpose of reviewing the operations in question to determine whether they are in conformity with said standards and principles.

Article XIII

(*a*) The rates to be charged by the designated airlines of either Contracting Party for carriage to or from the territory of the other Contracting Party shall be reasonable, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other airlines, as well as the characteristics of each service.

(*b*) The rates referred to in this Article shall be subject to the approval of the aeronautical authorities of the Contracting Parties, who shall act in accordance with their obligations under this Agreement, within the limits of their legal powers.

(*c*) Any rates proposed by an airline of either Contracting Party shall be filed with the aeronautical authorities of both Contracting Parties at least thirty days before the proposed date of introduction, provided that this period of thirty days may be reduced in particular cases by agreement of the said aeronautical authorities.

(*d*) In the event that power is conferred by law upon the aeronautical authorities of the United States to fix fair and economic rates for the transport of persons and property by air on international services and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States, each of the Contracting Parties shall thereafter exercise

its authority in such manner as to prevent any rate or rates proposed by one of its airlines for services from the territory of one Contracting Party to a point or points in the territory of the other Contracting Party from becoming effective or remaining in effect, if in the judgment of the aeronautical authorities of the Contracting Party whose airline or airlines is or are proposing such rate, that rate is unfair or uneconomic. If one of the Contracting Parties on receipt of the notification referred to in paragraph (*c*) above is dissatisfied with the rate proposed by the airline or airlines of the other Contracting Party, it shall so notify the other Contracting Party prior to the expiry of the first fifteen days of the thirty day period referred to, and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each Contracting Party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

If agreement has not been reached by the end of the thirty day period referred to in paragraph (*c*) above, the proposed rate may, unless the aeronautical authorities of the country of the airline concerned see fit to suspend its application, go into effect or remain in effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (*f*) below.

(*e*) Prior to the time when such power may be conferred upon the aeronautical authorities of the United States, if one of the Contracting Parties is dissatisfied with any rate proposed by the airline or airlines of either Contracting Party for services from the territory of one Contracting Party to a point or points in the territory of the other Contracting Party, it shall so notify the other Contracting Party prior to the expiry of the first fifteen days of the thirty day period referred to in paragraph (*c*) above, and the Contracting Parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each Contracting Party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

If agreement has not been reached by the end of the thirty day period referred to in paragraph (*c*) above, the Contracting Party raising the objection to the rate may, in the case of a rate different from that then in effect, take such steps as it considers necessary to prevent the inauguration of the service in question at the proposed new rate, provided however that the Contracting Party raising the objection shall not require the charging of a rate higher than the lowest rate charged by its own airline or airlines for comparable services between the same points. Until such time as a new rate has been established by agreement of the Contracting Parties, the rate previously approved shall remain in effect.

(*f*) When in any case under paragraphs (*d*) or (*e*) of this Article the aeronautical authorities of the two Contracting Parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one Contracting Party concerning the proposed rate or an existing rate of the airline or airlines of the

other Contracting Party, upon the request of either, the terms of Article XV of this Agreement shall apply.

(*g*) The aeronautical authorities of each Contracting Party shall use their best efforts to insure that the rates charged and collected conform to the rates filed with either Contracting Party, and that no airline rebates any portion of such rates by any means, directly or indirectly, including the payment of excessive sales commissions to agents or the use of unrealistic currency conversion rates.

(*h*) Unless otherwise agreed between the Contracting Parties, each Contracting Party shall use its best efforts to insure that any rate specified in terms of the national currency of one of the Contracting Parties will be established in an amount which reflects the official exchange rate (including all exchange fees or other charges) at which the airlines of both Contracting Parties can convert and remit the revenues from their transport operations into the national currency of the other Contracting Party.

(*i*) It is recognized by both Contracting Parties that during any period for which either Contracting Party has approved the traffic conference procedures of the International Air Transport Association, or of any other association of airlines, any rate agreements concluded through these procedures and involving airlines of that Contracting Party will be subject to the approval of the aeronautical authorities of that Contracting Party.

Article XIV

(*a*) Either Contracting Party may at any time request consultation on questions concerning the interpretation, implementation, application, or amendment of this Agreement. Such consultation should commence as soon as practicable but in any event not later than sixty days from the date of receipt of the request for consultation, unless otherwise agreed by the Contracting Parties.

(*b*) The aeronautical authorities of both Contracting Parties shall continue the program which has been inaugurated of joint preparation of agreed true origin and destination statistics for air passenger traffic over the routes operated pursuant to this Agreement.

Article XV

(*a*) Any dispute with respect to matters covered by this Agreement or any amendment thereto not satisfactorily adjusted through consultation shall, upon request of either Contracting Party, be submitted to arbitration in accordance with the procedure set forth herein.

(*b*) Arbitration shall be by a tribunal of three arbitrators constituted as follows :

1. One arbitrator shall be named by each Contracting Party within two months of the date of delivery by either Contracting Party to the other of a request for arbitration. Within one month after such period of two months, the two arbitrators so designated shall by agreement designate a third arbitrator, provided that such third arbitrator shall not be a national of either Contracting Party.
2. If either Contracting Party fails to designate an arbitrator, or if the third arbitrator is not agreed upon in accordance with paragraph 1, either Contracting Party may request the President of the Council of the International Civil Aviation Organization to designate the necessary arbitrator or arbitrators.

(*c*) The Contracting Parties shall use their best efforts consistent with national law to put into effect any decision or award of the arbitral tribunal.

(*d*) The expenses of the arbitral tribunal, including the fees and expenses of the arbitrators, shall be shared equally by the Contracting Parties.

Article XVI

Either of the Contracting Parties may at any time notify the other by diplomatic note of its intention to terminate this Agreement. Such notice shall be sent simultaneously to the International Civil Aviation Organization. The Agreement shall terminate one year after the date of receipt of the notice of intention to terminate, unless by agreement between the Contracting Parties such notice is withdrawn before the expiration of that time.

Article XVII

This Agreement supersedes the Air Transport Agreement between the Government of the United States of America and the Government of Canada of June 4, 1949,[1] as amended by an Exchange of Notes of November 22 and December 20, 1955,[2] and as further amended by an Exchange of Notes of April 9, 1959.[3] In any case in which an air service authorized under the former Agreement or any amendment thereto is also provided for in this Agreement, an airline duly authorized by both parties to operate the said service shall be deemed to have been duly authorized to operate the said service under this Agreement and in accordance therewith.

Article XVIII

This Agreement and all amendments thereto shall be registered with the International Civil Aviation Organization.

[1] United Nations, *Treaty Series*, Vol. 122, p. 237.
[2] United Nations, *Treaty Series*, Vol. 241, p. 488.
[3] United Nations, *Treaty Series*, Vol. 343, p. 344.

Article XIX

For purposes of this Agreement :

(*a*) "Agreement" shall mean this Agreement and the annexed Schedules, and any amendments thereto.

(*b*) "Aeronautical authorities" shall mean, in the case of the United States of America, the Civil Aeronautics Board or any person or agency that may be authorized to perform the functions exercised by the Civil Aeronautics Board at the time of signature of this Agreement, and, in the case of Canada, the Minister of Transport and the Air Transport Board or any person or agency that may be authorized to perform the functions exercised by the said Minister and the said Board at the time of signature of this Agreement.

(*c*) "Designated airline" shall mean an airline of a Contracting Party designated in accordance with Article V of this Agreement.

(*d*) "Territory", in relation to a Contracting Party, shall mean the land areas under the sovereignty, suzerainty, protection, jurisdiction or trusteeship of that Contracting Party, and the territorial waters adjacent thereto.

(*e*) "Air Service" shall mean any scheduled service performed by aircraft for the public transport of passengers, mail or cargo, separately or in combination.

(*f*) "International air service" shall mean an air service which passes through the air space over the territory of more than one State.

(*g*) "Stop for non-traffic purposes" shall mean a landing for any purpose other than taking on or discharging passengers, cargo or mail.

(*h*) "Rates" shall be deemed to include all tariffs, tolls, fares, and charges for transportation, and the conditions of carriage, classifications, rules, regulations, practices, and services related thereto.

Article XX

This Agreement shall come into force on the day it is signed, and shall remain in effect unless terminated in accordance with Article XVI.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE in duplicate at Ottawa this seventeenth day of January, 1966, in the English and French languages, each of which shall be of equal authenticity.

For the Government of the United States of America :

W. Walton BUTTERWORTH

For the Government of Canada :

Paul MARTIN

J. W. PICKERSGILL

SCHEDULE I

An airline or airlines designated by the Government of the United States of America shall have the right to operate air services on each of the air routes specified in this paragraph, in both directions, and to make scheduled landings in Canada at the points specified.

1. Seattle – Vancouver
2. Los Angeles/San Francisco – Vancouver
3. Denver/Great Falls – Calgary
4. Chicago – Toronto
5. Detroit – Toronto (local service airline only)
6. Tampa/Miami – Toronto
7. Tampa/Miami – Montreal
8. Los Angeles – Toronto
9. New York – Montreal/Ottawa
10. New York – Toronto
11. Boston – Montreal
12. Washington – Ottawa/Montreal
13. Buffalo – Toronto
14. Minneapolis – Winnipeg
15. United States – Gander – Europe and beyond
16. *a.* Spokane – Calgary
    b. Duluth/Superior – Ft. William/Port Arthur
    c. Ketchikan – Prince Rupert
    d. Fairbanks – Whitehorse
    e. Juneau – Whitehorse
    f. Erie – Toronto

Notwithstanding the provisions of Article III, no intermediate points between the named terminals may be served on routes numbered 6, 7, and 8. All flights to and from Miami over Routes 6 and 7 shall be via Tampa until November 1, 1967 or such earlier date as may be agreed by the Contracting Parties. If the same United States airline is designated to operate both Route 6 and Route 7, such airline may serve Toronto and Montreal on the same flights, and shall be entitled to stopover privileges in accordance with

Article IV of this Agreement, as though Toronto and Montreal were named as co-terminals on each route. Washington may be served on any flight through any one of the following airports at the option of the airline : National, Friendship, Dulles. The Government of the United States may designate two airlines to serve Route 4 (Chicago – Toronto) and two airlines to serve Route 13 (Buffalo – Toronto). For three years from the time of signature of this Agreement the Government of theUnited States shall not designate more than one airline for any other route specified in this Schedule. Thereafter the Government of the United States may designate additional airlines for any route specified in this Schedule, subject to the prior agreement of the Government of Canada.

SCHEDULE II

An airline or airlines designated by the Government of Canada shall have the right to operate air services on each of the air routes specified in this paragraph, in both directions, and to make scheduled landings in the United States of America at the points specified.

1. Victoria – Seattle
2. Vancouver – San Francisco
3. Halifax – Boston/New York
4. Montreal/Toronto – Chicago
5. Toronto – Cleveland
6. Toronto – Los Angeles
7. Toronto – Tampa/Miami
8. Montreal – Tampa/Miami
9. Montreal – New York
10. Toronto – New York
11. Canada – Honolulu – Australasia and beyond
12. *a.* Prince Rupert – Ketchikan
    b. Whitehorse – Fairbanks
    c. Whitehorse – Juneau

Notwithstanding the provisions of Article III, no intermediate points between the named terminals may be served on routes numbered 6, 7 and 8. All flights to and from Miami over Route 7 and Route 8 shall be operated via Tampa until November 1, 1967 or such earlier date as may be agreed by the Contracting Parties. The Government of Canada may designate two airlines to serve the Toronto – Chicago segment of Route 4. For three years from the time of signature of this Agreement the Government of Canada shall not designate more than one airline for any other route specified in this Schedule. Thereafter, the Government of Canada may designate additional airlines for any route specified in this Schedule, subject to the prior approval of the Government of the United States.

EXCHANGE OF NOTES — ÉCHANGE DE NOTES

I

EMBASSY OF THE UNITED STATES OF AMERICA

No. 272

Ottawa, January 17, 1966

Sir :

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

With reference to Route 5 in Schedule I, which provides for service by a local service airline between Detroit and Toronto, it was understood that, in keeping with the principles established in Article III (*a*) of the Agreement, no United States airline designated for the Chicago-Toronto route would be permitted to serve Detroit as an intermediate point. However, it was also understood that, notwithstanding the provisions of Article III (*a*) of the Agreement, if a United States airline designated for the Detroit-Toronto route should temporarily suspend or should discontinue operations over that route, Detroit could be served as an intermediate point on the Chicago-Toronto route during the interim period pending resumption of service by a local service airline on Route 5. The use of Detroit as an intermediate point on the Chicago-Toronto route would not begin until the Canadian Government had been officially informed by diplomatic note, and until there had been compliance with the provisions of Article VI.

I should be grateful if you would confirm that your Government concurs in the foregoing.

Accept, Sir, the renewed assurances of my highest consideration.

W. Walton BUTTERWORTH

The Honorable Paul Martin, P.C., Q.C.
Secretary of State for External Affairs
Ottawa

[TRADUCTION — TRANSLATION]

AMBASSADE DES ÉTATS-UNIS D'AMÉRIQUE

Nº 272

Ottawa, le 17 janvier 1966

Monsieur le Secrétaire d'État,

J'ai l'honneur de e référer à l'Accord relatif aux services aériens conclu ce jour entre nos deux Gouvernements.

[*Voir note II, texte français*]

Je vous serais obligé de bien vouloir me faire savoir si les dispositions susmentionnées rencontrent l'agrément de votre Gouvernement.

Veuillez agréer, etc.

W. Walton BUTTERWORTH

Monsieur Paul Martin, P.C.,Q.C.
Secrétaire d'État aux affaires extérieures
Ottawa

II

DEPARTMENT OF EXTERNAL AFFAIRS
CANADA

No. L-11

Ottawa, January 17, 1966

Excellency :

I have the honour to reply to your Note No. 272 of January 17, 1966 referring to Route 5 in Schedule I of the Air Transport Agreement concluded today between our two Governments.

In your Note you stated the following :

[*See note I*]

I have the honour to confirm by this Note, the English and French versions of which are of equal authenticity, that the Government of Canada concurs in the foregoing understandings.

Accept, Excellency, the renewed assurances of my highest consideration.

Paul MARTIN

His Excellency W. Walton Butterworth
Ambassador of the United States of America
Ottawa

MINISTÈRE DES AFFAIRES EXTÉRIEURES
CANADA

N° L-11

Ottawa, le 17 janvier 1966

Monsieur l'Ambassadeur,

J'ai l'honneur de répondre à votre Note n° 272 du 17 janvier 1966, concernant la Route 5 de la Liste I de l'Accord relatif aux services aériens qui a été conclu aujourd'hui entre nos deux Gouvernements.

Dans votre Note, vous dites ce qui suit :

« En ce qui concerne la route 5 de la Liste I (Détroit-Toronto), qui est attribuée à une entreprise assurant des services locaux, il a été convenu que conformément aux principes énoncés dans l'Article III (*a*) de l'Accord, aucune entreprise des États-Unis désignée pour la route Chicago-Toronto ne serait autorisée à desservir Détroit en tant que point intermédiaire. Toutefois, il a également été convenu que, nonobstant les dispositions de l'Article III (*a*) de l'Accord, si une entreprise des États-Unis désignée pour la route Détroit-Toronto suspendait temporairement ou discontinuait ses services sur cette route, Détroit pourrait être desservi comme point intermédiaire sur la route Chicago-Toronto pendant une certaine période, en attendant la reprise des services sur la route 5 par une entreprise de service local. L'utilisation de Détroit comme point intermédiaire sur la route Chicago-Toronto ne commencerait pas avant que le Gouvernement canadien ait reçu un avis officiel à cet effet sous la forme d'une note diplomatique, ni avant que les dispositions de l'Article VI n'aient été observées. »

J'ai l'honneur de vous confirmer que le Gouvernement canadien par cette Note, dont les versions anglaise et française font également foi, est d'accord avec ce qui précède.

Veuillez agréer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

Paul MARTIN

Son Excellence Monsieur W. Walton Butterworth
Ambassadeur des États-Unis d'Amérique
Ottawa

III

[TRADUCTION — TRANSLATION]

EMBASSY OF THE UNITED STATES OF AMERICA

No. 273

Ottawa, January 17, 1966

Sir :

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

AMBASSADE DES ÉTATS-UNIS D'AMÉRIQUE

N° 273

Ottawa, le 17 janvier 1966

Monsieur le Secrétaire d'État,

J'ai l'honneur de me référer à l'Accord relatif aux services aériens conclu ce jour entre nos deux Gouvernements.

I wish to inform you that it is the understanding of the Government of the United States of America that, during the discussions leading to the Agreement, both Contracting Parties recognized that, in addition to the services provided for in the Agreement, the establishment of services for the purpose of carrying cargo only (or cargo and mail only) between points in the two countries may be desirable. Accordingly, I have the honor to propose that the Contracting Parties be guided by the following :

In the event that the aeronautical authorities of one of the Contracting Parties authorize an airline or airlines to operate all-cargo services between points in the United States and points in Canada, whether or not the points so authorized comprise a route granted to either country in the Schedules annexed to the Agreement, such airline or airlines may apply to the aeronautical authorities of the other Contracting Party for authority to operate such services. Those authorities shall act expeditiously upon any application and, as appropriate, give favorable consideration thereto. Upon approval by the aeronautical authorities of both countries, such services may be put into operation.

It is understood that in the event of inauguration of operations under the foregoing paragraphs the operating airline or airlines will be subject to the obligations and entitled to the privileges

Je tiens à vous faire savoir que le Gouvernement des États-Unis d'Amérique considère qu'au cours des discussions qui ont précédé la conclusion de l'Accord, les deux Parties contractantes ont reconnu qu'il pouvait être souhaitable d'instituer entre des points des deux pays, outre les services visés dans ledit Accord, des services destinés au transport du fret seulement (ou du fret et du courrier seulement). En conséquence, je propose que les Parties contractantes soient guidées par les dispositions suivantes :

Au cas où les autorités aéronautiques de l'une des Parties contractantes autoriseraient une entreprise aérienne ou des entreprises aériennes à exploiter des services exclusivement destinés au transport du fret entre des points situés aux États-Unis et des points situés au Canada, que les points ainsi autorisés correspondent ou non à l'une des routes attribuées à l'un ou l'autre pays dans les listes jointes en annexe au présent Accord, ladite entreprise aérienne ou lesdites entreprises aériennes pourront demander aux autorités aéronautiques de l'autre Partie contractante l'autorisation d'exploiter lesdits services. Les autorités en question examineront ces demandes avec diligence et accorderont, s'il convient, le permis d'exploitation. Les services susmentionnés pourront être inaugurés dès que les autorités aéronautiques des deux pays auront donné leur consentement à cet égard.

Il est convenu que, si des services sont inaugurés aux termes des paragraphes précédents, l'entreprise ou les entreprises qui les assureront seront assujetties aux obligations prévues aux

of Article VIII, IX, X and XI of the Agreement.

I should be grateful to receive confirmation from you that the Government of Canada agrees that the foregoing should guide the aeronautical authorities of our countries when considering the matter of all-cargo operations.

Accept, Sir, the renewed assurances of my highest consideration.

W. Walton BUTTERWORTH

The Honorable Paul Martin, P.C., Q.C.
Secretary of State
for External Affairs
Ottawa

articles VIII, IX, X et XI de l'Accord et auront droit aux privilèges octroyés en vertu de ces articles.

Je vous serais obligé de bien vouloir me faire savoir si le Gouvernement canadien accepte que les autorités aéronautiques de nos deux pays soient guidées par les dispositions précédentes quand elles examineront la question des services de fret.

Veuillez agréer, etc.

W. Walton BUTTERWORTH

Monsieur Paul Martin, P.C., Q.C.
Secrétaire d'État
aux affaires extérieures
Ottawa

IV

DEPARTMENT OF EXTERNAL AFFAIRS
CANADA

No. L-12

Ottawa, January 17, 1966

Excellency :

I have the honour to refer to your Note No. 273 of January 17, 1966 concerning certain proposals regarding all-cargo services.

I wish to confirm by this Note, the English and French versions of which are of equal authenticity, that the Government of Canada accepts these proposals and agrees that they should guide the aeronautical authorities of our two countries when considering the matter of all-cargo operations.

MINISTÈRE DES AFFAIRES EXTÉRIEURES
CANADA

N° L-12

Ottawa, le 17 janvier 1966

Monsieur l'Ambassadeur,

J'ai l'honneur de me référer à votre Note No. 273 du 17 janvier 1966, concernant certaines propositions relatives aux services aériens ne transportant que des marchandises.

Je vous confirme par cette Note, dont les versions anglaise et française font également foi, que le Gouvernement canadien accepte ces propositions, qui guideront les autorités aéronautiques de nos deux pays lorsqu'il sera question de transport aérien de marchandises seulement.

Accept, Excellency, the renewed assurances of my highest consideration.

Paul MARTIN

His Excellency
W. Walton Butterworth
Ambassador
of the United States of America
Ottawa

Veuillez agréer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

Paul MARTIN

Son Excellence
Monsieur W. Walton Butterworth
Ambassadeur
des États-Unis d'Amérique
Ottawa

V

DEPARTMENT OF EXTERNAL AFFAIRS
CANADA

No. L-9

Ottawa, January 17, 1966

Excellency :

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

I wish to inform you that it is the understanding of the Government of Canada that, during discussions leading to the Agreement, both Contracting Parties recognized the need to introduce greater flexibility in the handling of regional and local service routes. For this purpose I have the honour to propose that the Contracting Parties be guided by the following :

In addition to the services provided for in the Agreement, the needs of commerce may require other air services of a regional and local nature between the territories of the two countries for the carriage of passengers, cargo and mail, separately or in combination. Accordingly, when the aeronautical authorities of either Contracting Party authorize an airline or airlines to operate

MINISTÈRE DES AFFAIRES EXTÉRIEURES
CANADA

N° L-9

Ottawa, le 17 janvier 1966

Monsieur l'Ambassadeur,

J'ai l'honneur de me référer à l'Accord relatif aux transports aériens qui a été conclu aujourd'hui entre nos deux Gouvernements.

J'ai l'honneur de vous faire connaître que le Gouvernement canadien estime qu'au cours des discussions ayant précédé la conclusion du présent Accord les deux Parties contractantes ont reconnu la nécessité d'introduire une plus grande flexibilité dans l'exploitation des routes régionales et locales. Je propose à cette fin que les Parties contractantes soient guidées par les dispositions suivantes.

En plus des services prévus aux termes du présent Accord, les besoins du commerce pourront nécessiter l'établissement d'autres services aériens de nature régionale et locale entre les territoires des deux pays pour le transport des passagers, des marchandises et du courrier, séparément ou ensemble. Par conséquent, lorsque les autorités aéronautiques de l'une ou l'autre des Parties contractantes

such additional services, such airline or airlines may apply to the aeronautical authorities of the other Contracting Party for authority to operate such services. Those authorities shall act expeditiously upon any application and, as appropriate, give favourable consideration thereto. Upon approval by the aeronautical authorities of both countries, such services may be put into operation.

It is understood that in the event of inauguration of operations under the foregoing paragraphs the operating airline or airlines will be subject to the obligations and entitled to the privileges of Articles VIII, IX, X and XI of the Agreement.

I should be grateful to receive confirmation from you that the Government of the United States of America agrees that this Note, the English and French versions of which are of equal authenticity, should guide the aeronautical authorities of our countries when considering the establishment of regional and local service routes other than those specified in the Schedules annexed to the Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

Paul MARTIN

His Excellency
W. Walton Butterworth
Ambassador
of the United States of America
Ottawa

autoriseront une entreprise ou des entreprises à exploiter de tels services supplémentaires, lesdites entreprises pourront adresser aux autorités aéronautiques de l'autre Partie contractante une demande d'autorisation en vue d'exploiter ces services. Les autorités en question examineront ces demandes avec diligence et accorderont s'il convient le permis d'exploitation. Les services supplémentaires pourront être inaugurés dès que les autorités aéronautiques des deux pays auront donné leur consentement à cet égard.

Il est convenu que, si des services sont inaugurés aux termes des paragraphes qui précèdent, l'entreprise ou les entreprises qui les assureront seront assujetties aux obligations prévues aux Articles VIII, IX, X et XI de l'Accord et auront droit aux privilèges octroyés en vertu de ces articles.

Je vous saurais gré de bien vouloir me faire savoir si le Gouvernement des États-Unis d'Amérique accepte que cette Note, dont les versions anglaise et française font également foi, guident les autorités aéronautiques de nos deux pays lorsqu'elles considéreront l'établissement de routes régionales et locales autres que celles qui sont mentionnées dans les Annexes à l'Accord.

Veuillez agréer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

Paul MARTIN

Son Excellence
Monsieur W. Walton Butterworth
Ambassadeur
des États-Unis d'Amérique
Ottawa

No. 8502

VI

[TRADUCTION — TRANSLATION]

EMBASSY OF THE UNITED STATES OF AMERICA

No. 278

Ottawa, January 17, 1966

Sir :

I have the honor to refer to your Note No. L-9, dated January 17, 1966, which reads as follows :

[*See note V*]

I am glad to confirm that the Government of the United States of America agrees that the proposals set forth in your Note, above-quoted, the English and French versions of which are of equal authenticity, should guide the aeronautical authorities of our two countries when considering the establishment of regional and local service routes other than those specified in the Schedules annexed to the Agreement.

Accept, Sir, the renewed assurances of my highest consideration.

W. Walton BUTTERWORTH

The Honorable Paul Martin, P.C., Q.C.
Secretary of State
for External Affairs
Ottawa

AMBASSADE DES ÉTATS-UNIS D'AMÉRIQUE

N° 278

Ottawa, le 17 janvier 1966

Monsieur le Secrétaire d'État,

J'ai l'honneur de me référer à votre note n° L-9, datée du 17 janvier 1966, dont le texte est le suivant :

[*Voir note V*]

J'ai le plaisir de vous faire savoir que le Gouvernement des États-Unis d'Amérique accepte que les propositions énoncées dans votre note susmentionnée, dont le texte anglais et le texte français font également foi, guident les autorités aéronautiques de nos deux pays quand celles-ci envisageront l'institution de services régionaux et locaux autres que ceux mentionnés dans les listes jointes en annexe au présent Accord.

Veuillez agréer, etc.

W. Walton BUTTERWORTH

Monsieur Paul Martin, P.C., Q.C.
Secrétaire d'État
aux affaires extérieures
Ottawa

VII

DEPARTMENT OF EXTERNAL AFFAIRS
CANADA

No. L-10

Ottawa, January 17, 1966

Excellency :

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

MINISTÈRE DES AFFAIRES EXTÉRIEURES
CANADA

N° L-10

Ottawa, le 17 janvier 1966

Monsieur l'Ambassadeur,

J'ai l'honneur de me référer à l'Accord relatif aux transports aériens qui a été conclu aujourd'hui entre nos deux Gouvernements.

Cet Accord, qui prévoit une expansion importante des services aériens assurés par des entreprises des deux pays, sera d'une grande importance pour les entreprises de transports aériens et leurs usagers. Le développement rapide et incessant du trafic aérien entre le Canada et les États-Unis nécessitera cependant que les deux Gouvernements examinent de nouveau dans un délai raisonnable la question des changements supplémentaires à effectuer pour que les services aériens entre nos deux pays puissent répondre aux besoins des voyageurs et des entreprises des deux pays, conformément aux principes énoncés dans le Préambule de l'Accord, et suivant les objectifs mentionnés aux alinéas (*a*) et (*b*) de l'Article premier.

Il a été en outre reconnu des deux côtés que certaines propositions qui avaient été faites au sujet de routes ou de services supplémentaires ont été omises du cadre de l'Accord. Nous croyons comprendre que les États-Unis souhaitent, pour leurs entreprises aériennes un accès direct de Chicago à Montréal. De même le Canada souhaite pour ses entreprises aériennes l'accès à Los Angeles en provenance de Vancouver, ainsi

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.

que de pouvoir assurer des services de Winnipeg à Chicago.

Au cours des discussions, il a semblé évident que, pour diverses raisons touchant au volume actuel du trafic et à d'autres éléments, le moment n'était pas encore venu de s'occuper de ces questions. D'autre part, le développement continu du trafic aérien peut modifier d'ici un certain nombre d'années la situation au point de vue des questions mentionnées au paragraphe précédent et créer de nouvelles situations dans lesquelles il conviendrait d'envisager l'établissement de services directs autres ou nouveaux entre les deux pays. Vu l'importance des principes qui sont à la base du nouvel Accord, vu le progrès qu'il représente et étant donné que l'Accord doit être revisé de temps à autre pour tenir compte du développement du trafic, il est proposé que la situation en ce qui concerne les routes aériennes fasse l'objet de nouvel examen au début de 1969. Les problèmes susmentionnés qui n'ont pas été résolus, de même que la question des nouvelles routes dont la nécessité pourrait se révéler dans l'intervalle feront alors l'objet d'une étude qui permettra de déterminer s'il est souhaitable d'améliorer et d'étendre le réseau aérien dans l'intérêt des usagers et des entreprises des deux pays.

Je vous saurais gré de bien vouloir me faire savoir si le Gouvernement des États-Unis est d'accord avec les déclarations contenues dans cette Note, dont les versions anglaise et française font également foi.

Accept, Excellency, the renewed assurances of my highest consideration.

Paul MARTIN

His Excellency
W. Walton Butterworth
Ambassador
of the United States of America
Ottawa

Veuillez agréer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

Paul MARTIN

Son Excellence
Monsieur W. Walton Butterworth
Ambassadeur
des États-Unis d'Amérique
Ottawa

VIII

[TRADUCTION — TRANSLATION]

EMBASSY OF THE UNITED STATES OF AMERICA

No. 279

Ottawa, January 17, 1966

Sir :

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

[*See note VII*]

I am glad to confirm that the Government of the United States of America concurs in the statements set forth in your Note, the English and French versions of which are of equal authenticity.

Accept, Sir, the renewed assurances of my highest consideration.

W. Walton BUTTERWORTH

The Honorable Paul Martin, P.C., Q.C.
Secretary of State
for External Affairs
Ottawa

AMBASSADE DES ÉTATS-UNIS D'AMÉRIQUE

N° 279

Ottawa, le 17 janvier 1966

Monsieur le Secrétaire d'État,

J'ai l'honneur de me référer à votre note n° L-10 datée du 17 janvier 1966, dont le texte est le suivant :

[*Voir note VII*]

J'ai le plaisir de confirmer que les propositions énoncées dans votre note, dont le texte anglais et le texte français font également foi, rencontrent l'agrément du Gouvernement des États-Unis d'Amérique.

Veuillez agréer, etc.

W. Walton BUTTERWORTH

Monsieur Paul Martin, P.C., Q.C.
Secrétaire d'État
aux affaires extérieures
Ottawa