

1953

## International Civil Aviation Organization (ICAO)

Julian G. Gazdik

---

### Recommended Citation

Julian G. Gazdik, *International Civil Aviation Organization (ICAO)*, 20 J. AIR L. & COM. 463 (1953)  
<https://scholar.smu.edu/jalc/vol20/iss4/6>

This International Review is brought to you for free and open access by the Law Journals at SMU Scholar. It has been accepted for inclusion in Journal of Air Law and Commerce by an authorized administrator of SMU Scholar. For more information, please visit <http://digitalrepository.smu.edu>.

# INTERNATIONAL REVIEW

By Julian G. Gazdik, Secretary, Legal Committee, I.A.T.A.

## I.

### INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO)

#### *Legal Committee — Ninth Session*

THE Legal Committee of the International Civil Aviation Organization met in Rio de Janeiro from 25th August to 12th September, 1953, under the chairmanship of Mr. T. B. Cavalcanti (Brazil). The Legal Committee considered the question of revision of the Convention for the unification of certain rules relating to international carriage by air, signed at Warsaw on 12th October, 1929. It has expressed the opinion that there is need for revision of certain parts of the Convention and addition of certain new provisions therein, and that, having regard to the extensive acceptance of the said Convention, amendments to the Convention should not extend beyond those shown to be of real practical or legal need. Accordingly, it has drawn up a draft Protocol to the said Convention, and resolved that, in accordance with paragraph 1 of Resolution A7-6 of the Assembly of the International Civil Aviation Organization, the draft Protocol and the report thereon should be transmitted to the Council of ICAO for further action in accordance with the provisions of the said Resolution.<sup>1</sup>

#### *General Work Programme of Legal Committee — ICAO*

The Committee reviewed its general work programme and made the following decisions:

*Aerial collisions* should be given priority with a view to preparing a draft convention. A sub-committee was appointed, consisting of Messrs. E. Ferreira (Argentina), C. S. Booth (Canada), S. Iuul (Denmark), A. Garnault (France), A. Kotaite (Lebanon) and H. Drion (Netherlands), which will probably meet in January, 1954, in Paris.

*Legal status of aircraft* should also receive priority with a view to preparing a draft convention. A sub-committee was appointed consisting of Messrs. E. Hamilton (Chile), R. Monaco (Italy), E. M. Loaeza (Mexico), E. Alten (Norway), J. L. Moris Marrodan (Spain), R. O. Wilberforce (United Kingdom) and G. N. Calkins (United States).

Both of these items have been included in the agenda of the next meeting of the Legal Committee of ICAO.

On the subject of the negotiability of the air waybill, the Committee adopted the following resolution:

While recognizing the value of the preparatory work which has been done in relation to the negotiability of air waybills, the Legal Committee does not consider that such work is sufficiently advanced or that sufficient demand for the insertion of provisions relating to this matter has yet been brought to the notice of the Committee to justify a recommendation that such provisions be included amongst those now suggested for a limited revision of the Warsaw Convention, but recommends that in view of the potential commercial importance of the matter the subject remain on the agenda of this Committee with a view to separate study particularly in the light of the present proposals of the Committee

---

<sup>1</sup> For Official Text of Draft Protocol see 20 J. AIR LAW & C. 326 (1953).

regarding air waybills in such manner as may be determined by the Council, if thought fit, in consultation with interested international organizations.

## II.

### INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA)

The Ninth Annual General Meeting of the International Air Transport Association was held in Montreal, Canada from 5th to 9th October, 1953. The Executive Committee and the five standing committees reported to the Annual General Meeting. The summary of these reports is set forth hereafter in the following order: Legal, Traffic and Commercial, Technical, Medical and Financial.

#### *Legal Committee*

The report of the IATA Legal Committee was presented by the chairman of the committee, Henry J. Friendly, New York, Vice President and Legal Counsel of Pan American World Airways who reported that the committee had made substantial gains in simplifying interline carriage of passengers and cargo by which the routes of individual airlines are welded into a single worldwide public utility network.

The IATA Traffic Conferences, which were to meet in Honolulu in November, 1953, were urged by the Legal Committee to adopt new uniform draft Conditions of Carriage which will, for the first time in any form of transport, standardize the conditions under which passengers and freight are accepted for transport over the lines of two or more carriers. The revised text of the proposed new Conditions was completed this year after several years of study and international consultation. Adoption of these uniform Conditions by the Traffic Conferences will represent a tremendous step forward in the conduct of interline business. The adoption of these Conditions will not require IATA Members to comply with a specific form in which the standard Conditions of Carriage are to be published; nor is there any requirement as to what additional provisions are to be set forth by the individual airlines, although the committee expressed the hope that the order and arrangement of the Conditions would be disturbed as little as possible. The vital thing is that the basic Conditions are to be made effective by all Members and that no provisions altering their meaning or limiting their application should be made.

In view of the new standard IATA Conditions of Carriage, the committee also recommended certain amendments to the Conditions of Contract — Passengers and Cargo — Traffic Conference Resolutions 275b and 540b. Two of these recommendations are of interest. First it was suggested that the Ticket and Air Waybill should incorporate a clause dealing with the extent to which one carrier in non-Warsaw interline transportation of passengers and baggage should be liable for damage occurring on the lines of another. This should avoid misunderstanding and confusion between carriers and their clients, also between carriers themselves in interline carriage.

The second suggestion was to include a clause in the passenger ticket relating to the time for filing claims and bringing actions. This suggestion was prompted by recent decisions in the U. S., which have raised some doubts as to the effectiveness of the incorporation of such provisions by reference to the Conditions of Carriage or Tariffs.

The committee reported that it is now working on several projects which it hoped will provide simpler and legally satisfactory documents and procedures for handling cargo and cargo claims on an interline basis. Among these is a procedure now being studied which would enable airlines to accept

cargo shipments on the basis of a short and simplified "Shipper's Letter of Instructions" or similar forms, without immediately issuing the more complicated air waybill.

Also in preparation is a new draft agreement on interline cargo claims procedures which the committee urged be eventually adopted by the IATA Traffic Conferences to cover the settlement of claims in respect to cargo carried over two or more airlines. It was recommended that distinction should be made between large and small claims. In the case of the small claims, it is highly desirable to give broad authority to the carrier receiving the claim. If that is not done, intense dissatisfaction will be caused to shippers because of the delay in handling matters of trifling amounts, and carriers will spend much more money in writing letters back and forth to each other than settlement would involve. With respect to large claims, while no attempt is made to authorize one carrier to bind all others without authority from them, there should be some way in which carriers whose share in the revenue is 75%, 80% or whatever the traffic people think proper should be able to make a settlement and not be blocked by the dissent of a carrier whose proportion of the recovery is very small.

As a further step in the simplification of airline paperwork, the committee advised IATA that it is not legally necessary that the signatures of IATA officers and of the more than 8,000 IATA-certificated travel and cargo agents for the airlines be notarized or witnessed.

The General Meeting was asked to go on record as supporting the ratification of the new draft Convention on Liability of Air Carriers to Third Parties on the Ground, known as the Rome Convention. Despite what it called "certain defects" in the Convention, the committee declared that the consequences of the lack of any international convention on the subject are so serious that Members should be requested to recommend ratification to their various governments. The respective Resolution of the Annual General Meeting of IATA reads as follows:

"WHEREAS, IATA has followed with care the development by the International Civil Aviation Organization of a convention on Damage Caused by Foreign Aircraft to Third Parties on the Surface (hereinafter referred to as the 'Rome Convention of 1952') to replace the convention for the Unification of Certain Rules Relating to Damage Caused by Aircraft to Third Parties on the Surface which has been opened for signature at Rome on May 29, 1933; and "WHEREAS, the Rome Convention of 1952 has been opened for signature; and

"WHEREAS, in the opinion of IATA it is important to the development of international air transportation that there should be a convention regulating liability of foreign aircraft to third parties on the surface, which many states parties to the convention might adopt also as internal legislation; and

"WHEREAS, although IATA considers there are certain defects in the Rome Convention of 1952, it believes the said Convention represents a not unfair compromise among the interests involved;

"NOW, THEREFORE, BE IT RESOLVED that IATA supports the ratification of the Rome Convention of 1952 as in the interest of the sound and proper development of international air transportation and urges its members to recommend such ratification to their respective governments."

The committee also reported that it had advised an IATA working group dealing with passenger handling and accountancy problems that it would not be legally advisable to issue "blank cheque" tickets in which the names of the airlines over whose routes the passengers will travel are not inserted,

because the committee felt that such a practice might be contrary to the Warsaw Convention which required that the passenger ticket should state the name of carrier or carriers. The majority of the committee was of the opinion that there was doubt whether the carrying carrier could, under the circumstances, take advantage of the limitation of liability under the Convention. Moreover, the issuing carrier, in both Warsaw and non-Warsaw transportation, might undertake an extensive liability for the execution of the contract by a future unnamed carrier. This responsibility would be particularly severe in case the issuing carrier did not operate on the route for which the ticket was issued.

However, the committee said it is legally possible to include the names of alternative carriers, or of two or more carriers, in the same "via carrier" box in the "good for passage" section of the passenger ticket and baggage check, subject to the condition that the name of the carrier who did not carry should be deleted from the ticket prior to the commencement of the carriage on the line of the alternative carrier.

#### *Traffic and Commercial Matters*

The following is a summary of reports on the work of IATA in the commercial and traffic field. They covered activities of the IATA Traffic Committee and the IATA Traffic Conferences during the past year. Dr. F. von Balluseck, Amsterdam, Vice President of KLM Royal Dutch Airlines, submitted the report of the Traffic Committee, most of whose functions were transferred two months ago to a new Traffic Advisory Committee which will also act as a coordinating group for Traffic Conference activity.

The report of the Conferences, which work out international rates and fares subject to the approval of interested governments, was submitted by Dennis H. Handover, London, Chairman of Scandinavian Airlines System, Ltd. The two reports dealt with problems for which the airlines have found solutions through joint consultation and agreement in IATA, as well as those for which no satisfactory answers have as yet been developed.

*IATA Traffic Committee*—The work of the Traffic Committee had aimed primarily at the creation and standardization of interline practices, procedures and documents which, for the purposes of the airline passenger or shipper, would make one big airline out of the routes of IATA's many member companies and others who cooperate with them. As an example of the effect of this work, the report pointed to the worldwide air traffic system which is being built up through the IATA multilateral traffic agreements. This system has been further consolidated during the year by new adherence to the agreements. At the present time, 94 carriers are parties to the Interline Traffic Agreement, as compared with 70 at this time last year, 55 are parties to the Interline Baggage Agreement as compared with 39 a year ago, and 33 carriers are parties to the Interline Cargo Handling Agreement as against 17 in September 1952.

The Traffic Committee reported that IATA has now completed a new set of regulations for "restricted articles" (items of cargo whose nature makes special handling necessary) which is expected to go to the Traffic Conferences for consideration next month. A permanent working group of four technical experts has been created to keep the regulations up-to-date.

Recommendations for on the spot surveys in a number of countries to find the causes and cures for "no shows" on the part of passengers and over-bookings by the airlines were also made by the Traffic Committee. Traffic has been constantly on the increase and it is necessary for industry thinking on reservations problems to keep pace with this increase. Reservations service is a carrier's first contact with its potential customers, and it is most important that this first contact should create the right impression. It was emphasized that no-shows (passengers who book but do not show up for the

flight) are estimated to have cost U. S. and Canadian airlines many millions of dollars in a year. That figure speaks for itself. Carriers have of course contended with the no-show problem by a certain amount of overbooking. Short cut expedients of this nature by themselves are not a solution.

The reason that more drastic action has not previously been taken in this matter is that the carriers have had difficulty in assessing the degree to which different factors have been responsible for the problem.

Outlining as "targets for the future" some points on which the airlines have yet to develop an effective common point of view, the Traffic Committee reported that airline policy in regard to consolidators and freight forwarders is a "long term question" to which an answer must be found by the unanimous opinion which is required to enact Traffic Conference resolutions. Consolidators assemble various small air cargo shipments into one larger batch taking advantage of discounts offered for heavier shipments and quoting a rate per individual parcel which may be somewhat lower than that of the airline. There is as yet no agreement between airlines who feel that this practice is inevitable and should therefore be encouraged and regulated by the establishment of contractual relationships between the airlines and consolidators, and those who feel that the advantages of consolidation should be eliminated by reducing the effect of weight "break-points" in cargo rates.

Another problem is that the absorption by the airlines of the cost of hotel accommodation and other passenger expenses at connecting and stop-over points. The practice is opposed by some carriers as a means of diverting traffic from one line to another and is inconsistent with the present policy of the airlines to provide transportation for the masses rather than the few. Other airlines feel that there are times when it is a reasonable practice, particularly for carriers with a few through services or low frequencies. However, in the absence of any agreement airlines are not quite certain what does constitute reasonable absorption of passenger expenses en route.

The report protested the adoption, particularly in Europe, of the "c.i.f." method of customs valuation, which the committee said is prejudicial to the airlines. Under the "c.i.f." system, customs valuations are based on the actual value of the article plus the cost of transport to the port of destination and thus put a higher valuation on goods sent by air than by sea or rail. The "c.i.f." method was endorsed by the European Customs Union study group.

*IATA Traffic Conferences*—Mr. Handover pointed out that the last IATA Traffic Conferences in Cannes, France, had been able to agree unanimously to hundreds of formal resolutions and over 30,000 rates and fares for an entire year. These agreements included arrangements for the introduction of tourist class services on a worldwide basis in progressive stages by the Spring of 1954 and it was one of the few times, he stressed, that it had proved possible to act on these matters for a full 12-month period. Various problems were outlined.

A "positive answer" must be found to the question of whether carriers should be allowed to carry both first class and tourist passengers in the same aircraft. The practice is permissible for the current year, but many airlines oppose it as tending to break down the differentiation between the two classes of service, while others insist that it is necessary in view of their capital commitments in aircraft or because of their limited frequencies over certain routes.

Serious consideration must also be given to the effect of "cabotage" fares on the whole of the international route structure. These cabotage fares and rates are not open to discussion and negotiation and although in general carriers utilizing these fares and rates undertake to use such safeguards as they can to prevent the undermining of the IATA structure, it is a fact

that with the best possible will it is extremely difficult to contain the effect of such fares as may be of an under-cutting nature. The hope was expressed that the governments exercising cabotage rights may be persuaded to utilize them with the utmost circumspection—for otherwise the internationally-agreed rate structure can be seriously damaged.

Another problem whose solution is important to the industry, is that of "Class B" fares, which were originally conceived as a fare differential for smaller airlines operating a sort of "village bus service" within restricted areas with smaller, older or less comfortable equipment. Since the institution of tourist fares, there have been demands in some areas for "Class B" discounts below tourist fares, as well as for their application to longer routes than those previously envisaged. Also consideration must be given to the levels of fares per passenger mile in Europe and to the introduction of a more realistic relationship between fares on direct and indirect routings than at present exists. A number of fares are based on pre-war thinking which has been outmoded in various ways.

Introduction of new routings for scheduled international service particularly via the polar regions, poses still other problems for the airlines. With some of these, the old traditional routes between various centers of population may no longer achieve their previous paramount importance and it will become necessary to give careful consideration to a re-orientation of the fare structure of some of the routes. A specific example on which some thought might be expended is the effect of the new over-the-pole route from Europe to the West Coast of North America which is stated to be shorter than the old traditional route and as such should set the governing fares. Even this innovation appears to be outmoded because it has been publicly stated that at last one type of aircraft to be operated within a few years will in fact reduce the operating distance even more than the presently planned polar route.

A further complication in trans-Atlantic routings is the extraordinary criss-cross network of so-called mid-Atlantic tracks between the eastern and western hemispheres, the operators of which feel should be considered in fare-basing policy. This question is likely to arise in other parts of the world in varying degrees of importance.

#### *Technical Committee*

The IATA Technical Committee report was presented by the chairman, Capt. J. C. Kelly-Rogers, Dublin, Deputy General Manager of Aer Lingus Teoranta. The report covered the activities of the policy level committee, as well as of its various working groups and regional panels, and of the annual IATA Technical Conference, which was held this year at Puerto Rico.

As a result of the Puerto Rico symposium on the operation of helicopters in scheduled air service, in which airlines, designers, governments and air forces participated, the Technical Committee reported a series of recommended requirements for the further development of rotary wing aircraft to which it attached "particular significance."

Among these recommended requirements are the following:

- A programme of prototype testing of new helicopters under actual operating conditions;
- Participation of civic agencies in the development program with the object of providing suitable heliports and facilities and protecting approach paths from obstructions;
- Flight research into flight safety criteria and optimum approach, landing and take off procedures for built-up areas;
- Better weather forecasting, navigational facilities and procedures;
- Smoke prevention laws in built-up areas;

Assimilation of the design criteria and specifications of military and civil helicopters;  
Greater stability and better control characteristics for helicopters at and near hovering speeds;  
The need for a low external noise level, even at the sacrifice of speed;  
Relaxation of requirements for unnecessarily involved ticketing and other documents and speedier customs and immigration clearance on international routes.

It is essential that any planning be based on "rotating-wing thinking" and not on "fixed-wing thinking." The former is an entirely new concept of air transportation and must be treated as such regardless of the many objectives that they might have in common.

The IATA Technical Committee stressed need for close airline consideration of the proposed new international aircraft performance code now under consideration in the International Civil Aviation Organization, terming it the most important single item on the regulatory side of aeronautics. The performance code will set an international standard for the margins of extra performance which governments require to be built into transport aircraft, and the committee underlined the vital economic significance of the code to transport operators.

The new code should be as simple as possible in framing and application, flexible enough to permit local treatment of local problems, and should allow operators a certain amount of latitude within the requirements in order to provide equivalent levels of safety under operating conditions which may differ greatly from the norm.

The danger of premature applicability of the new performance standards to turbine powered aircraft, whose operation has not yet been extensive enough to see whether they can in fact be governed by the same requirements, is also strongly stressed by the committee.

Reviewing regulatory developments of the past year, the Technical Committee reported that IATA agreement on a standard approach lighting configuration and its acceptance by ICAO has paved the way for installation of these important aids at airports in many countries this year. During the past year, ICAO has also agreed to accept the concept of "non-conventional runways," which permits the use of cleared and smoothed surfaces at the end of critical runways to increase their efficiency and reduce the cost of providing facilities.

New correction factors to be applied to basic runway lengths for the effects of temperature and elevation have also been worked out by IATA and largely accepted by ICAO and should add considerably to the safety and economy of operations from airports in non-standard climate and altitude conditions. States have also agreed through ICAO to an IATA-proposed requirement that pilots flying on instrument approach and landing systems be given as close an indication as possible of the visibility conditions from the cockpit, rather than from some other reporting point on the aerodrome.

The airlines are now awaiting confirmation from governments that the worldwide shift to new communications frequencies as determined by the International Telecommunications can go ahead. IATA had been most active in preparing regional plans for the changeover and these will result in the minimum of operational disruption for the airlines, since every possible care has been taken to cover cases of equipment limitation or difficulties resulting from complex route structures.

The problem of coordinating the movements of civil and military aircraft in the European skies is still being considered. Despite the introduction of controlled air routes in Europe and of measures to allow each type of operation adequate airspace, it is apparent that the required degree of

integration has not yet been achieved. Airlines operating in Europe were urged to take every possible step towards insuring adequate coordination of civil and military movements within each country and full adherence by military pilots to the promulgated controlled air space and related air traffic control procedures. The European airways plan is already completed in some countries and is well along in others, but it will require the attention for some time to come of the IATA European Air Traffic Control Panel which helped prepare the plan.

The committee also reported that regional air navigation plans for the South East Asia area and part of the Pacific area, agreed upon at an ICAO regional meeting at Melbourne earlier this year when implemented, will be of particular value to the faster and higher flying aircraft that are now being introduced on many routes in that part of the world.

Airline engineers are now conducting a survey of fixed and mobile ground servicing equipment as a preliminary to the development of recommendations for more effective planning and use of ground serving equipment at major airports. Effective standardization is already urgent at many high density airports and will become even more so when turbine aircraft come into general use; and should improve safety, cut costs and speed up servicing time on the ground.

A special high-level technical group is also at work on specifications for "an ideal fuel" for turbine powered aircraft. It was pointed out that the largest single item of the airlines' direct operating costs is for fuel, and that even minute differences in price can mean as much as \$150,000 a year to an airline operating a single daily trans-Atlantic flight. The "ideal" fuel will be no less safe than ordinary kerosene; have as high heat content per gallon as practicable; be generally available at the airports of the world; preferably as a presently marketed product; insure reliable and economic engine operation and no degradation thereof under all airline operating conditions; and have the lowest possible cost consistent with other requirements.

Considerable progress was reported in laying the groundwork for agreement on a single standardized unit for dimensional measurements, to avoid confusion which can be caused by the use of metric and other systems.

The committee also reviewed the findings of IATA Technical Conference discussions of terminal area problems.

#### *Medical Committee*

The report of the IATA Medical Committee to the Ninth Annual General Meeting was presented by Dr. K. E. Dowd, Montreal, Medical Director of Trans-Canada Air Lines, on behalf of the chairman, Air Vice Marshal Sir Harold Whittingham, London, Medical Director to British Overseas Airways Corporation.

The committee reported that investigation of the effects of jet noise and vibration on personnel serving jet aircraft reveals no reason to suppose that the ill-effects of jet engine noise on employees would be greater than those arising from piston-engined aircraft. Noise investigations had covered ten years' of jet experience by manufacturers, air forces and airlines. Although certain personnel had shown queer reactions when jet engines were first serviced, it had soon become evident that these were psychological. To date, so far as could be assessed clinically and by special examinations of the nervous and circulatory systems, including electrical recordings of heart and brain functioning, there was no evidence that personnel servicing jet aircraft (and who used the appropriate ear protectors) were adversely affected in any way whatsoever.

Anti-histamine drugs, including those used in "lightning" cold cures and preventatives for motion sickness should not be taken by aircrew while on

duty or for at least 12 hours before flight. It was also reported that soporifics should not be used on service unless prescribed by the airline doctor, and even then not within 18 hours of a flight.

The committee had found that drugs such as atropine, belladonna, benzedrine and streptomycin types, when administered in the dosage required to treat certain diseases, might have effects inimical to safe flying, but that personnel being so treated would not in any event be assigned to flying duty.

A survey of statistics on the carriage of invalid passengers, began a year ago, is being continued to help airline medical departments determine more exactly which disease conditions could be accepted safely for air travel and which required rejection or special arrangements. Air travel by invalids has become a daily occurrence with most airlines and experience has shown that even severely ill patients could safely fly long distances in pressurized aircraft, provided they are selected carefully and proper provision is made for their care and comfort.

Other committee studies have determined that generally speaking, healthy infants travel as well as adults. The committee reported that it is advisable, however, that babies under 10 days old should not be accepted for long flights, since it takes this long after birth for pulmonary and circulatory systems to become stabilized and to make certain that there are no concealed congenital defects which might be aggravated by altitude.

Accommodation of babies in tourist class aircraft, where space is at a premium, is a new medical problem for the airlines and seems to be best solved by putting infants in safety hammocks slung from the luggage racks.

Reporting on a review of the draft International Civil Aviation Organization regulations on aircrew medical requirements, the committee said they could be considered as "basic minima" and an improvement over previous efforts. It recommended, however, that they could be improved by the following:

A review of visual and hearing requirements; a realistic survey of color perception standards in relation to modern requirements for landing lights, map reading and aircraft wiring; further consideration of cardiovascular disease, including blood pressure; and more detail regarding examinations for mental fitness.

The committee reported that it had continued during the past year to investigate all available medical and clinical reports on aircrew fatigue, but had found no reason to change its opinion that under existing regulations and modern operational procedures with present-day aircraft, fatigue was rarely encountered in aircrew to a degree that interfered with proper performance of their duties.

#### *Financial Committee*

The IATA Financial Committee report was presented by J. S. Woodbridge, New York, Comptroller of Pan American World Airways and chairman of the committee.

The report warned against the alarming growth of revenue accounting costs which it said was a grave concern to our entire industry, and for which IATA is attempting to find a solution.

It was mentioned that the IATA Clearing House at London has experimented with a simplified method of accounting for interline transactions in which distances travelled, which do not fluctuate, were used instead of currency equivalents. However, the method was found to be dependent upon whether the fares for the journeys concerned lent themselves to the reckoning of an average fare per kilometer in order to translate the final result into terms of currency. While this was found to be possible on trans-Atlantic traffic, there are "persistent individual differences" in the intra-European fare structure which render the method inaccurate at this time.

It was pointed out that the philosophy behind the experimental procedures was sound and at some later time the project will surely revive.

In the course of its ordinary work of settling interline revenue accounts, the IATA Clearing House handled a turnover of \$218,000,000 during 1952 and has cleared a further \$109,000,000 during the first six months of this year. During 1952, 88 per cent of all accounts were automatically cleared by accounting offset, so that debits and credits of nearly a quarter of a billion dollars were settled for cash payment of only \$26,000,000.

Inter-clearances with the Airlines Clearing House at Chicago, whereby the facilities of international clearance are also enjoyed by the U. S. domestic airlines, increased 50 per cent from \$6,602,000 in 1951 to \$9,906,000 in 1952.

The cost of the Clearing House to the 36 Member Airlines of IATA who use it was only four cents per \$100 of gross receivables during 1952, as against five cents in 1951.

The committee also reported that a comprehensive interline revenue accounting manual has now been prepared by IATA and is in use among member airlines. Whether a revenue clerk wears a set of furs, kimono, grass skirt, sari, sarong or merely a lounge suit, one can now be sure that all are following a standard accounting procedure.

### III.

#### INSTITUTE OF INTERNATIONAL AIR LAW

On 1st October, 1953, the Institute of International Air Law at McGill University opened its third academic session. During the first two years of its existence this organization strove for a dual objective, to provide facilities for advance studies in international air law for qualified law graduates, and also, to provide for an academic organization for fundamental research in this field.

The Institute was established in the Fall of 1951 within the Faculty of Law at McGill University. This Faculty is one of the oldest in North America. The Director of the Institute is Professor John Cobb Cooper of Princeton, New Jersey. Professor Cooper is a member of the Bar of the Supreme Court of the United States and Legal Adviser of the International Air Transport Association (IATA). The other members of the teaching staff are Mr. J. G. Gazdik, who is also the Secretary of the Institute, and Mr. P. K. Roy, Chief of the Legal Bureau of the International Civil Aviation Organization (ICAO), who delivers the lectures on international air regulations.

In 1953, fifteen (15) members of the Institute have been selected from twelve countries: namely, Austria, Canada, Ceylon, Colombia, Egypt, Greece, Italy, the Philippines, Scotland, Sweden, England and Yugoslavia. In previous years, Australia, Formosa, France, Germany, Holland, Hungary, India, Lebanon, New Zealand, and the United States were also represented at the Institute.

There is little change in the curriculum of the resident members of the Institute in the academic year of 1953-54. During the first term, members will attend courses in international transport law, encompassing its history and development since the fifteenth century, with particular reference to international law questions as to rights of commerce and of transit of one state into or through the territory of another state—the right of each state to control activity within its territory—the development of the law of the relation of the state to its territory—the controversies as to whether the air space is or is not part of the territory of the subjacent state. Members are

also required to attend the course on public international law which deals with the background, drafting and significance of the great international conventions which constitute the basis for present concepts of air laws: namely, the "Paris Convention" of 1919, the "Madrid Convention" of 1926, the "Havana Convention" of 1928 and the "Chicago Convention" of 1944, including the consideration and analysis of the legal status of useable space and the legal status of aircraft and other flight instruments.

In addition to these courses, members will take courses in international private air law which includes a basic review of obligations; the history of the Carrier's liability in England, France, the United States and International Law; the Law Relating to Carriage by Air (Warsaw Convention, Carrier's Conditions of Carriage, Tariffs, Charterparties); Ownership, Mortgage and Pledge of Aircraft; The Convention on the International Recognition of Rights in Aircraft, 1948 (Geneva); The Convention Concerning Precautionary Arrest, 1933 (Rome); and Aircraft Manufacturers' Liability. There is a special course also scheduled for the Spring of 1954 on the revision of the Warsaw Convention, the Rome Convention, Aircraft Insurance and Collisions.

Finally, the Institute will deal with the subject of International Air Regulations. Separate courses on maritime law and on the principles of Civil Law will be given. Additionally, Members of the Institute participate in one of the Institute research projects selected by the Director of the Institute and submit a paper on that subject.

#### IV.

#### INTERNATIONAL CONSULTATIVE COUNCIL OF TRAVEL AGENTS

The International Consultative Council of Travel Agents was established in the autumn of 1952 with headquarters at 10 Mayfair Place, London, W. 1. Colonel H. H. Gardiner as the Executive Member is in charge of administration.

ICCTA's formation was welcomed by governments, by users and carriers, and international organizations interested in the increasingly important part contributed to the economy of States by international travel and tourism. The travel agents are by far the most numerous and the most productive "salesmen of travel."

The constituent members of ICCTA are the following:

American Society of Travel Agents (ASTA)

Association of British Travel Agents (ABTA)

Fédération Internationale des Agences de Voyages (FIAV), which also represents the national travel agency associations of Austria, Belgium, Egypt, France, Greece, Israel, Italy, the Netherlands, Spain and Switzerland.

German Association of Travel Agents (DBV)

Union of Nordic Travel Bureau Associations, composed of the national associations of travel agents of Denmark, Finland, Norway and Sweden.

Thos. Cook & Son Ltd.

Compagnie Internationale des Wagons-Lits

It may be added that the American Express Company is represented at meetings of ICCTA. The Council members representing the American Society of Travel Agents are Dr. L. C. Tombs of Montreal, President, and W. F. McGrath of New York, Executive Vice President.

ICCTA is developing a programme based primarily on close co-operation

between its constituent members and frequent consultative contact with International Air Transport Association (IATA), the Trans-Atlantic Passenger Conference and other steamship conferences with a view to the examination of questions of mutual concern.

DR. L. C. TOMBS

## V.

### INTERNATIONAL FEDERATION OF INDEPENDENT AIR TRANSPORT OPERATORS

On September 11th, the International Federation of Independent Air Transport Operators (F.I.T.A.P.) held its annual general assembly in London. In the course of the meeting the Minister of Transport and Civil Aviation, Mr. A. T. Lennox-Boyd, and his Parliamentary Secretary, Mr. J. D. Profumo, paid a visit and discussed current problems.

During the meeting F.I.T.A.P. members had the opportunity of talking to representatives of ICAO, of the F.A.I., of the International Air Brokers Association and of other associations. Membership of F.I.T.A.P. now numbers 23 independent operators and most of the larger independent operators from South America, Canada and the Far East are expected to join the organization next year. Mr. Ludwig G. Braathen, president of Norway's Braathens (S.A.F.E.) was elected president of F.I.T.A.P. for the coming year. The next meeting of the Management Committee will be held in Barcelona on December 11th, 1953.

## VI.

### INTERNATIONAL CHAMBER OF COMMERCE

#### *The I.C.C. and Air Transport*

The International Chamber of Commerce held its XIVth International Congress in Vienna, Austria, from 18th to 23rd May, 1953. The recommendations of the I.C.C. in the field of air transport are interesting as they represent the compromise views of users and carriers.

During the post-war years, the I.C.C. has been regularly consulted by ICAO during the course of its work on air law, and in the past has adopted the following resolutions:

- at the 1947 Montreux Congress, the resolutions (Brochure 117, pages 57 and 58) relating to the revision of the Warsaw Convention and the Convention on Recordation of Title to Aircraft and Aircraft Mortgages;
- at the 1949 Quebec Congress, another resolution on the latter Convention, (Brochure 141, page 63);
- at the 1951 Lisbon Congress, a resolution on the Agreement on Commercial Rights (Brochure 161, page 65), as well as the decision to undertake inquiries on the question of revising the Warsaw Convention.

Following upon this last decision, the I.C.C.'s Sub-Committee on Air Law, presided over by Professor Joseph Hamel (France), examined the draft convention drawn up in Paris, in January 1952, by the "Warsaw" Sub-Committee of ICAO. This led to a consultation of users on a number of points, and their opinions were in turn re-examined in the light of the practical experience of carriers.

As Dr. Herman Crandijk (Netherlands) emphasized at the Vienna Congress, the I.C.C.'s Sub-Committee on Air Law had concluded that since, from the legal point of view, the existing Convention was not 100 per cent satisfactory, certain amendments might be proposed; but this had proved to be another of those cases where legal and practical considerations did

not coincide and the Committee on Air Transport confirmed the opinion already expressed in letters from National Committees that, from a practical point of view, it would be unwise to change a Convention which had been ratified by nearly every country. This view was contained in the first part of the resolution, which ended with suggestions concerning matters which might be included in an additional protocol. (Note the full text of the resolution as set forth in the "International Section" of the Journal—Summer Issue.)

In addition to legal problems, a number of practical questions are studied by the I.C.C. The resolutions adopted at Montreux already show signs of the users' desire for a reduction of the obstacles to air transport, notably of the formalities that ICAO had undertaken to simplify (Brochure 117, pages 56 and 57).

After re-affirming, at the Quebec Congress, its desire for as wide an application as possible of Annex 9 to the Chicago Convention, the I.C.C. asked the Institut Français du Transport Aérien to draw up a study on the speeding up of ground operations in air transport, which was then submitted to ICAO and published in October, 1950, as a supplement to "World Trade."

In 1951, the Lisbon Congress repeated the recommendations made in Quebec in favour of Annex 9. It further specified the recommendations made by users for the improvement of air transport. The suggestion which aimed at popularizing the air transport of passengers has been satisfied, but users urged in Vienna that their suggestions relating to the transport of goods be taken into consideration.

In this same field, the carriers, who in accordance with the desire of users as expressed by the I.C.C. in 1951, have made great efforts to popularize air transport, protested against the service charge recently levied on passengers at airports. The support given to their point of view by the users, which was expressed in a resolution adopted by the Air Transport Committee considerably strengthened their position vis-à-vis governments and ICAO. But the I.C.C. also counts shipowners amongst its members and from the point of view of competition between shipping and aviation they saw no reason why such taxes should not be inaugurated for aviation in view of the fact that there is no hope of their being discarded in the ports where they have been a burden for some time. After long discussions within the General Transport Commission, a resolution was drawn up on this subject and adopted at the Vienna Congress which reads as follows:

**"Passenger Service Charges**

"The International Chamber of Commerce views with concern a growing tendency of Governments and other authorities to introduce service charges payable by passengers travelling by air and sea transport.

"It is of the opinion that additional charges of this kind complicate administration and add yet another barrier to freedom of travel.

"While recognizing that air and maritime ports should pay their way, the I.C.C. is of the opinion that the introduction of separate service charges is to be deprecated and should be abandoned and that the cost should be met in the inclusive passenger ticket or by other methods."

One of the advantages of the I.C.C.'s position is that it can pass on to other sectors of transport the experience gained in one sector. Thus, when studying plans for a network of large international roads, it was able to stress the economic importance of liaisons between airports and town centers, and urged governments to take into account the necessity of adequate means of access to the terminal points of other forms of transport.

MARCELLE KLING