"ARRANGEMENT BETWEEN THE UNITED STATES OF AMERICA AND CANADA RELATING TO AIR TRANSPORT SERVICES"

ARTICLE 1

"Having in mind the desirability of mutually stimulating and promoting the sound economic development of air transportation between the United States and Canada, the Parties to this Arrangement agree that the establishment and development of air transport services between their respective territories by air carrier enterprises holding proper authorizations from their respective governments, shall be governed by the following provisions:

ARTICLE 2

"The present Arrangement shall apply to continental United States of America, including Alaska, and to Canada, including their territorial waters. The privileges accorded by this Arrangement shall be available only to air carrier enterprises bona fide owned and controlled by nationals of the respective Parties.

ARTICLE 3

"Each of the Parties agrees, subject to compliance with its laws and regulations, to grant to air carrier enterprises of the other Party permits for non-stop services through the air space over its territory between two points within the territory of the other Party; provided, however, that inland non-stop services between the United States and Alaska shall be the subject of a separate understanding.

"Each party further agrees, subject to compliance with its laws and regulations, and on a basis of reciprocity to grant operating rights to the air carrier enterprises of the other Party for the operation of international services between a place in the territory of one Party and a place in the territory of the other Party.

"The details of the application of the principle of reciprocity contained herein shall be the subject of amicable adjustment between the competent aeronautical authorities of the parties to this arrangement.

ARTICLE 4

"Any air carrier enterprise of either Party applying for permission to operate in territory of the other Party shall be required to transmit its application through diplomatic channels in accordance with Article 3 (c) of the air navigation arrangement effected by an exchange of notes between the two Parties, signed on July 28, 1938.

"The air carrier enterprises of each Party will be required to qualify before the competent aeronautical authorities of the other Party under the latter's applicable laws and regulations before being permitted to engage in the operations contemplated by this Arrangement, and upon so qualifying will be issued permits or licenses by such authorities accordingly.

ARTICLE 5

"The terms of the permits referred to in Article 4, the airports to be used by the respective services, the routes or Airways to be flown within the respective territories of the Parties between the designated airports, and other appropriate details of the conduct of the air transport services contemplated by this Arrangement shall be determined by the competent aeronautical authorities of the Parties. Any permit issued by the competent aeronautical
authorities for the air transport services contemplated hereunder shall be valid only so long as the holder thereof shall be authorized by its own Government to engage in the service envisaged by such permit. The holding of such permit shall be subject to compliance by the holder with all applicable laws of the issuing Government and with all valid rules, regulations and orders issued thereunder. Such permit may not be revoked for any cause other than non-compliance with such laws, rules, regulations or orders or for such reasons as the public interest may require.

ARTICLE 6

"Each of the Parties hereto agrees not to impose, and to use its best efforts to prevent the imposition of, any restrictions or limitations as to airports, airways or connections with other transportation services, and facilities in general to be utilized within its territory which might be competitively or otherwise disadvantageous to the air carrier enterprises of the other Party.

ARTICLE 7

"The aircraft operated by United States air carrier enterprises shall conform at all times with the airworthiness requirements prescribed by the competent aeronautical authorities of the United States for aircraft employed in air transportation of the character contemplated by this Arrangement.

"The aircraft operated by Canadian air carrier enterprises shall conform at all times with the airworthiness requirements prescribed by the competent aeronautical authorities of Canada for aircraft employed in air transportation of the character contemplated by this Arrangement.

The competent aeronautical authorities of the Parties hereto may communicate with a view to bringing about uniformity of safety standards for the operations contemplated by this Arrangement and compliance therewith, and whenever the need therefor appears, the Parties may enter into an agreement prescribing such uniform safety standards.

ARTICLE 8

"The matter of the transportation of mail shall be subject to agreement between the competent authorities of both Parties.

ARTICLE 9

"The operations contemplated hereunder shall be conducted subject to the applicable terms of the air navigation arrangement effected by an exchange of notes between the two Parties signed on July 28, 1938.

ARTICLE 10

"This arrangement shall remain in force for a period of two years and thereafter until terminated on six months notice given by either Government to the other Government."

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As a result of the United States-Canada Civil Aviation Conference which was held at Ottawa from August 9, 1939 to August 11, 1939, the foregoing arrangement which will become effective on August 18, 1939, was entered into between the Governments of the United States and Canada. The arrangement was brought into effect by notes exchanged on August 18, 1939, between the Department of External Affairs at Canada and the American Legation at Ottawa.

It will be recalled in this connection that in January, 1938, an aviation meeting with Canadian officials was held in Washington. As a result of that meeting, three aeronautical arrangements were concluded with the Canadian Government. These related to (1) air navigation in general; (2) issuance by each country of pilot licenses to nationals of the other country for the operation of civil aircraft; and (3) reciprocal acceptance of certificates of airworthiness for exported aircraft.
The right to conduct scheduled air transport services between the two countries was not included within the terms of the general air navigation arrangement, and the purpose of the meeting in Ottawa was to enter into discussions of pending questions pertaining to the operation of such services.

The United States was represented at Ottawa by the following delegation, of which the Honorable Daniel C. Roper, United States Minister to Canada, was chairman:

*From the Department of State:*
  - Thomas Burke, Chief, Division of International Communications;
  - Stephen Latchford, Chief, Aviation Section, Division of International Communications;
  - Sydney B. Smith, Aviation Section, Division of International Communications.

*From the Civil Aeronautics Authority:*
  - Harllee Branch, Vice Chairman, Civil Aeronautics Authority;
  - G. Grant Mason, Jr., Member, Civil Aeronautics Authority;
  - Edward P. Warner, Member, Civil Aeronautics Authority;
  - Samuel E. Gates, Chief, International Division, Civil Aeronautics Authority.

*From the Post Office Department:*
  - W. W. Howes, First Assistant Postmaster General;
  - Charles P. Graddick, Superintendent of Air Mail.

*The Canadian Delegation consisted of:*
  - The Honorable C. D. Howe, Minister of Transport, Chairman.

*From the Department of Transport:*
  - Colonel V. I. Smart, Deputy Minister of Transport.
  - Mr. J. A. Wilson, Controller of Civil Aviation.
  - Group Captain A. T. Cowley, Superintendent, Air Regulations.

*From the Post Office Department:*
  - Mr. P. T. Coolican, Assistant Deputy Postmaster General.

*From the Department of External Affairs:*
  - Mr. Loring C. Christie, Counsellor.

*Also in attendance:*
  - From the Post Office Department:
    - Mr. George Herring, Chief Supt., Air and Land Mail Services.
  - From the Department of Transport:
    - Mr. J. R. K. Main.

**NEW MEMBERS FOR CITEJA**

The President has approved the appointment of the following named persons as additional members of the American Section of the International Technical Committee of Aerial Legal Experts commonly referred to as the CITEJA:
MR. SAMUEL E. GATES, Chief of the International Division, Civil Aeronautics Authority, Washington, D. C.;

MR. ARNOLD W. KNAUTH, Specialist in Air Law, New York, New York;

DR. ARTHUR L. LEBEL, Aviation Section, Division of International Communications, Department of State;

MR. EDWARD C. SWEENEY, International Division, Civil Aeronautics Authority, Washington, D. C.

The United States participates in the work of the International Technical Committee of Aerial Legal Experts as the result of the enactment by Congress of Public Resolution 118 approved February 14, 1931. The Committee is engaged in the codification of international private air law by the drafting of international conventions on which final action is taken at diplomatic conferences. Owing to the increasing scope of the work of the Committee it has been deemed advisable to enlarge the American membership so as to afford an opportunity for a thorough study of pending projects and in order to provide a larger panel of experts from among whom selections may conveniently be made to attend the sessions of the Committee.

The American Section of the International Technical Committee of Aerial Legal Experts is now constituted as follows:

MR. STEPHENLatchford, Chief of the Aviation Section, Division of International Communications, Department of State, Chairman of the American Section;

DR. FRED D. Fagg, Jr. (formerly Director of Air Commerce), Vice President, Northwestern University, Chicago, Illinois;

MR. SAMUEL E. GATES, Chief of the International Division, Civil Aeronautics Authority, Washington, D. C.;

MR. ARNOLD W. KNAUTH, Specialist in Air Law, New York, New York;

DR. ARTHUR L. LEBEL, Aviation Section, Division of International Communications, Department of State;

DR. DENIS MULLIGAN (formerly Director of Air Commerce), Specialist in Air Law, New York, New York;

MR. EDWARD C. SWEENEY, International Division, Civil Aeronautics Authority, Washington, D. C.