

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 AGREEMENT¹ 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