

boration. The Canadian Government is in complete agreement with the United Kingdom Government that "some form of international collaboration will be essential if the air is to be developed in the interests of mankind as a whole, trade served, international understanding fostered and international security gained".

#### SUMMARY

10. The policy of the Canadian Government on air transport may be summed up as follows:—

(a) The Government sees no good reason for changing its policy that Trans-Canada Air Lines is the sole Canadian agency which may operate international air services.

(b) Within Canada, Trans-Canada Air Lines will continue to operate all trans-continental systems, and such other services of a mainline character as may from time to time be designated by the Government. Competition between air services over the same route will not be permitted, whether between a publicly owned service and a privately owned service or between two privately owned services. There will remain a large field for the development of air transport in which private Canadian companies may participate, and, while preventing duplication of services, the Government will continue to encourage private companies to develop services as traffic possibilities may indicate.

(c) In order to prepare for forthcoming international negotiations on air transport, the Government is studying carefully the problems which will have to be dealt with in the negotiations.

(d) The Canadian Government strongly favours a policy of international collaboration and co-operation in air transport and is prepared to support in international negotiations whatever international air transport policy can be demonstrated as being best calculated to serve not only the immediate national interests of Canada but also our over-riding interest in the establishment of an international order which will prevent the outbreak of another world war.

Honourable C. D. Howe, Minister in Charge of Air Services, Department of Transport, addressing the House of Commons on Mar. 17, 1944, reported on a preliminary exchange of views among members of the Commonwealth in London in October, 1943, with respect to international discussions on air-transport policy. Mr. Howe was Chairman of the Canadian Delegation.\*

"A complete airing of ideas and opinions, with regard to international air transport after the war, took place and provided a useful introduction to the broader discussions which will take place in due course. Canada of course expects to participate in these further discussions also, and is at the moment taking part in discussions with the United Kingdom and the United States regarding the holding of exploratory conversations.

"No final decisions were taken in London, but I may say that it was evident from the outset that all participants had the same general objectives in view and that there was a broad basis of general agreement as to the way these objectives might best be obtained. All the participants were desirous of improving the air services between their territories, and agreed that such development must take place within an international framework, and that closed discriminatory systems could only promote disharmony, and endanger the chances of reaching that broad agreement which is necessary."

Outlining the Canadian Government's policy on international air transport, Honourable Mr. Howe pointed out that Canada occupied a strategic position athwart most of the air routes linking North America with Europe and Asia. This position carried with it great responsibilities and opportunities.

For many months the problem of international air transport has been the subject of exhaustive study by Canadian officials and of active consideration by the Government and a policy designed to meet these ends had been worked out. Canadian representatives in future international discussions on air transport will enter these discussions well prepared and with a clear view of the type of arrangement best designed to meet the needs of Canada for the development of international air services and provide for a fair share of international air transport, and at the same time establish an atmosphere of working co-operation among all other interested nations.

"I think we should be prepared to subscribe to the granting of general freedom of transit for international air services on a universal basis, so that national air services will automatically possess the right to cross the territory of other nations en route to their

\* The tentative and preliminary draft of an International Air Transport Convention upon which Canadian Officials and the Government have been working, was tabled by the Minister and is reproduced on p. 1626 of the House of Commons Debates, Vol. LXXXII (1944).