International Air Agreements.—The position of Canada in the field of aviation as well as its geographical location makes co-operation with other nations of the world engaged in international civil aviation imperative. Canada therefore took a major part in the original discussions that led to the establishment of the International Civil Aviation Organization (ICAO) which has headquarters at Montreal, Que. A special article on The International Civil Aviation Organization and Canada's Participation Therein appears in the 1952-53 Year Book, pp. 820-827. At present Canada has 21 air agreements with other countries; the only one to be signed in 1961 was with Mexico, signed Dec. 21, to replace the former agreement with that country signed on July 27, 1953.

Section 1.—Air Services

Air transport services may be grouped into two broad classes—Scheduled Services and Non-scheduled Services. Services in the first group are operated by air carriers who offer public transportation of persons, mails and/or goods by aircraft, serving designated points in accordance with a service schedule and at a toll per unit. The second group includes the following:—

- (1) Regular Specific Point Air Services—operated by air carriers who offer public transportation of persons, mails and/or goods by aircraft serving designated points on a route pattern and with some degree of regularity, at a toll per unit.
- (2) Irregular Specific Point Air Services—operated by air carriers who offer public transportation of persons, mails and/or goods by aircraft from a designated base, serving a defined area or a specific point or points, at a toll per unit.
- (3) Charter Air Services—operated by air carriers who offer public transportation of persons and/or goods by aircraft from a designated base, at a toll per mile or per hour for the charter of the entire aircraft, or at such other tolls as may be permitted by the Air Transport Board.
- (4) Contract Air Services-operated by air carriers who do not offer public transportation but who transport persons and/or goods solely in accordance with one or more specific contracts.
- (5) Flying Clubs—operated by air carriers incorporated as non-profit organizations for the purpose of furnishing flying training and recreational flying to club members.
- (6) Specialty Services—operated by air carriers for purposes not provided for by any other class, such as flying training, recreational flying, aerial photography and survey, aerial pest control, aerial advertising, aerial patrol and inspection, etc.

Current operations of the two major airlines forming the nucleus of Canada's freight and passenger air service are outlined below.

Trans-Canada Air Lines.—On the threshold of its 25th anniversary, TCA in 1961 carried a record 3,712,068 passengers and flew almost 2,500,000,000 passenger-miles. Tonmiles of revenue commodity traffic, including express, totalled 24,091,000 and ton-miles of mail traffic totalled 11,934,000.

During the year, TCA introduced new North American passenger fares which gave Canadians the lowest general fare structure in the world. It began operating only DC-8 jets across the North Atlantic to Britain and Continental Europe early in the year, and introduced the turbo-prop Vickers Vanguard on transcontinental routes and on services to the United States and the Caribbean. During the summer months, TCA offered 508 transcontinental seats daily in each direction and more than 2,600 seats a week across the ocean. At the year-end, TCA was serving 59 communities in Canada, the United States, Britain, Continental Europe, Bermuda and the islands of the Caribbean over 39,000 miles of air routes.

TCA's fleet at the end of the year consisted of 10 DC-8's, 20 Vickers Vanguards, 49 Vickers Viscounts, 11 Super Constellations and two DC-3's. An additional DC-8 was delivered early in 1962 and all Super Constellations were retired from scheduled service. Three more Vanguards were scheduled for delivery in 1962 and four Douglas DC-8F's for delivery in 1963.