

According to international law, each nation can determine what aircraft may come into its territory, and the conditions under which these aircraft may come. Through multilateral and bilateral arrangements nations have established the conditions on which international air transport is conducted. In order to provide for flexibility in rate making, machinery has been established by which IATA, which has as its members virtually all international airlines, reaches agreements on fares and recommends these fares to the governments concerned for their approval or disapproval.

While IATA rate-making procedures are necessarily complex, they can work quickly. At the urging of the Task Force, and with the full cooperation of Director General Knut Hammarskjold of IATA and his headquarters staff, a meeting has been called of the traffic and marketing vice presidents of the carriers actually engaged in transporting transatlantic traffic for February 20, in New York City. This meeting will consider the establishment of directional fares across the North Atlantic. If agreement can be reached at this meeting on a specific fare proposal, it will then be promptly submitted by mail to the approximately sixty air carriers who are members of the North Atlantic Traffic Conference. If there is no objection to the proposal so submitted, the rate agreement will then be submitted to governments for approval, and can be made effective as early as mid-April.

The Task Force has been informed of three directional rate proposals which will be submitted to the February 20 meeting of the International Air Transport Association for consideration—one from Air France, one from Trans World Airlines, and one from Pan American World Airways.

Air France will propose:

(1) Sale of tickets in Europe-Middle East for travel to U.S.-Canada and return, applicable only this year as from April 1.

(2) Applicable to: (a) affinity groups, (b) inclusive tour groups, (c) charter groups, and (d) youths in the age 12 to 25 group.

(3) Fare level 2.718¢ mile.

(4) Conditions of sale: (a) minimum of 25 fares sold at bulk, price established as per above fare level, (b) sale of additional seat allowed at above fare level, (c) total blocked off seats not to be more than 75 per flight.

(5) Conditions of travel in economy class: (a) for affinity groups similar to Resolution 088, (b) for Group Inclusive Tour (GIT) as per Resolution 087 but validity extended to one month with no minimum stay, (c) for youths and own use governing conditions similar to Resolution 088.