



**Consumers' Association of Canada  
Association des consommateurs du Canada**

October 20, 2010

The Honourable Chuck Strahl, P.C., M.P.  
Minister of Transport, Infrastructure and Communities  
330 Sparks Street  
Ottawa, Ontario  
K1A 0N5

Dear Minister:

I am writing to you on a matter of importance to Canadian consumers, namely Canada's policies and agreements on Open Skies. On October 11, 2010 Icelandair issued a news release stating that:

*Icelandair is revising its 2011 summer schedule in Canada as a result of the latest air service agreement between the Icelandic and Canadian governments which now restricts the number of flights permitted between Iceland and Canada.*

The Open Skies Agreement with Iceland provided consumers with a cost-effective option for travel to Europe and a counterbalance to the dominance of Air Canada and the Star Alliance for this trans-Atlantic traffic.

I am writing to you today to seek a clarification with respect to the Canada-Iceland Air Service Agreement. Specifically I would appreciate clarification on the following issues:

Did Transport Canada recently amend or cancel the Canada-Iceland Open Skies Agreement? As recently as September 24, 2010 a Transport Canada press release referred to the Canada-Iceland Air Service Agreement as an "open skies-type agreement".

What changes were made to the Canada-Iceland Air Services Agreement?

Was the Canada-Iceland Air Services Agreement recently amended to reduce the number of allowable flights between Canada and Iceland?

If changes were made to the Agreement what rationale did Transport Canada use to justify the reduction in the number of allowable flights?

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If changes were made to the Agreement who does Transport Canada believe will benefit from these changes?

Were consumer interests taken into account in changing the Agreement from an Open Skies Agreement?

The Consumers' Association of Canada is committed to policies and agreements that promote choice, convenience and price competition for international and domestic air travel. I look forward to your response.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bruce Cran".

Bruce Cran  
President