
NEWS RELEASE

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Ministry of Transportation and Infrastructure
Ministry of Small Business, Technology and Economic
Development
Ministry of Tourism, Culture and the Arts

B.C. ENCOURAGED BY FEDERAL ACTION ON OPEN SKIES

VICTORIA – The Province congratulates the federal government for securing an air service agreement with South Korea and continues to urge Canada to move quickly to establish Open Skies agreements with other key countries, such as Singapore and the United Arab Emirates. Transportation and Infrastructure Minister Shirley Bond, Small Business, Technology and Economic Development Minister Iain Black and Tourism, Culture and the Arts Minister Kevin Krueger made the announcement today following the release of a report by the International Institute of Transport and Logistics (IITL).

“The latest agreement is very promising, as it is critical to breaking down existing barriers to tourism and commerce between Canada and South Korea,” said Bond. “As British Columbia is Canada’s Asia-Pacific Gateway we encourage the federal government to pursue Open Skies agreements with other Asian nations, so as a province and a country, we can receive the full benefit of our geographic advantage.”

The IITL’s report, titled *Analysis of Canada’s Bilateral Air Service Agreements: Policy Focus on Asia Pacific Region*, finds that Open Skies agreements with Asian nations are essential to address the growing disadvantage Canadian and British Columbia airports face with the United States.

“With an open skies agreement we can seize opportunities and create jobs,” said Black. “By opening up air service, B.C. communities could attract visitors, students and investors, stimulating our regional economies.”

“The Province will continue to collaborate with international airlines to bring visitors here,” said Krueger. “An Open Skies policy would help us market B.C. as a highly desirable – and accessible – tourist destination.”

There are currently 82 existing bilateral air service agreements in Canada, but only eight classify as Open Skies (Barbados, Dominican Republic, Iceland, Ireland, New Zealand, United Kingdom, United States and most recently South Korea). The other 74 have restrictions that do not allow airports in Western Canada to compete with airports in the U.S. and central Canada for international air travel and commerce. The U.S. has Open Skies agreements with 94 nations, including 11 Asian nations and liberalized agreements with China and Japan.

The report, commissioned by the Province, sets the groundwork for the upcoming British Columbia International Open Skies Summit in Vancouver. Announced in the recent throne speech, the summit scheduled for this September at the new Vancouver Convention Centre aims to bring governments, airlines, airports and related industries together to focus on modernizing international air access to British Columbia and Canada.

In the report, the IITL estimates that a Canada-Korea Open Skies agreement could increase the Seoul-to-Vancouver passenger volume by over 37 per cent in the first few years, a \$200 million benefit to the Canadian tourism industry.

With an Open Skies agreement between Canada and Japan, the IITL estimates that passenger volume increases on the Tokyo-Vancouver route alone could have a \$55-million impact annually on Canada's tourism industry.

The IITL's report was led by Dr. Tae Oum from the Sauder School of Business at the University of British Columbia. The report and additional background are available online at <http://www.th.gov.bc.ca/openskies>.

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