

## U. S. Department of Transportation

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## STATEMENT OF U.S. SECRETARY OF TRANSPORTATION BROCK ADAMS, JUNE 22, 1977

I am pleased that a new air service agreement was initialed early this morning by representatives of the United States and Great Britain. We have maintained our government's position of freedom of choice for the American traveling public, while moving to meet the legitimate concerns of the British regarding the 30 year old agreement.

When the negotiations started nearly 10 months ago the British government was insisting that British airlines carry 50 percent of the transatlantic passengers and that the United States would have no rights to fly beyond London to other European cities.

We rejected these proposals because we could not submit to having our passengers assigned from one air service to another in the United States or as they traveled from country to country.

While maintaing this principle we recognize that the world has changed radically since the bilateral agreement of 1946. Technology has changed so that non-stop flights from one part of the globe to another without using gateways are commonplace, and most carriers now have their own national air carriers.

The United States delegation under Special Ambassador Alan Boyd agreed with Great Britain that the British airlines should have greater rights in flying local passengers to other European cities. We also recognized that the British carriers should have a better system for competition for passengers in the United States.

We have therefore made necessary and reasonable concessions, but always with the full awarneness that the system negotiated here would affect the agreements we will be negotiation with other countries during the next several years. We had to maintain one overriding principle -- that the American public can travel where it wants and when it wants in the world of aviation at a cost that reflects true competition.

I should also point out that the United States obtained new operating rights from four American cities to London.

We have worked very closely in these negotiations with the American aviation industry, and that includes every level from the travel agents to the airlines themselves. We've worked to maintain the strength of our airline industry, and their cooperation with the government has made this new agreement possible.

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