

# Annual civil aviation statistics, 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, January 20, 2023

---

## Highlights

Effects from the second year of the COVID-19 pandemic continued to be felt by the airline industry. In 2021, Canadian air carriers transported 26.0 million passengers, down 7.3% from 2020 and just over one-quarter (27.6%) of the 94.1 million passengers carried in 2019, prior to the pandemic.

Operating revenue earned by Canadian air carriers in 2021 totalled \$12.5 billion, less than half (42.2%) of what was reported in 2019. A sharp drop in passenger revenue was partly offset by an increase in cargo revenue, up 68.3% from 2019 to \$2.9 billion. However, net operating income was down \$5.0 billion from 2019.

On March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization. In the months that followed, Canadian air travel remained well below historical levels. Unless otherwise specified, comparisons are made with 2019 (also referred to as "pre-pandemic levels"), when airline activity levels were in line with historical trends.

## Profits remain elusive

In 2021, profits were non-existent in the airline industry. Even though net operating income increased by \$50.5 million from 2020, it remained \$5.0 billion under the 2019 pre-pandemic level. Total operating revenue generated by Level I to III Canadian air carriers was 57.8% below 2019, at \$12.5 billion in 2021.

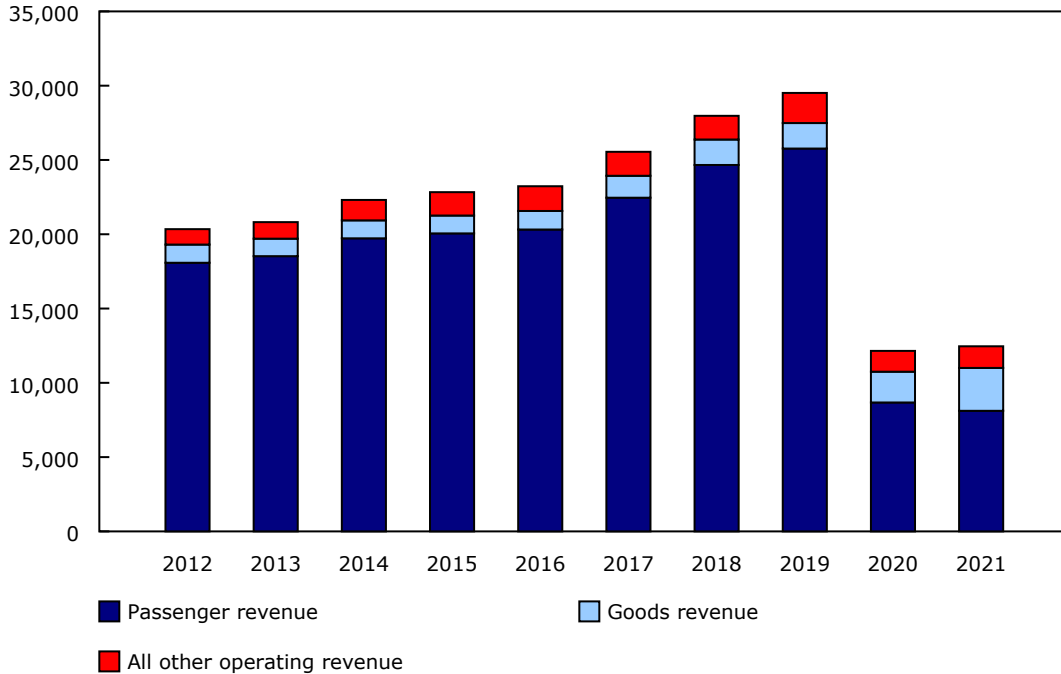
With fewer passengers, airlines continued to rely on freight to support revenues. In 2021, cargo revenue increased by 68.3% from 2019 to reach \$2.9 billion, with charter services generating goods revenues roughly six times the level of 2019. Conversely, passenger revenue fell by 68.5% to \$8.1 billion as travel demand continued to be weakened by COVID-19 travel restrictions.

In 2021, revenues from passengers accounted for 65.1 cents of every operating revenue dollar, down from 87.3 cents in 2019, while goods revenues accounted for 23.2 cents, up from 5.8 cents in 2019.



**Chart 1**  
Annual operating revenue by source, Canadian air carriers

millions of dollars



Source(s): Table 23-10-0034-01.

## Operating expenses exceed operating revenues again

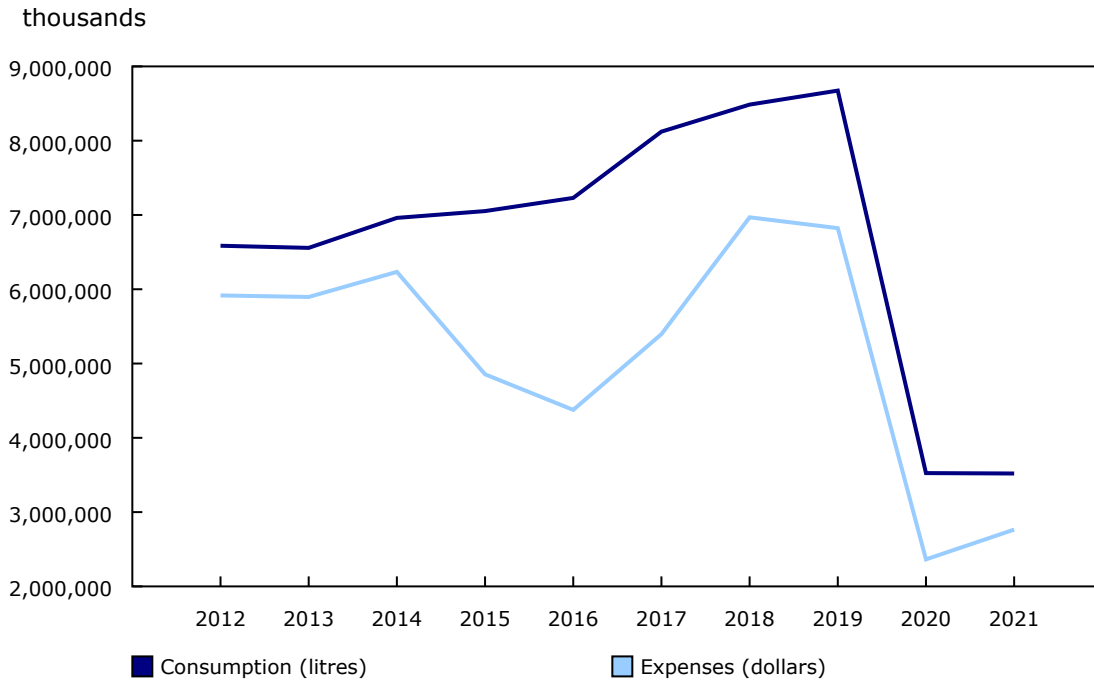
The level of operating expenses in 2021 (down 44.0% from 2019) was virtually the same as 2020 (down 45.0% from 2019). Some airlines resumed their operations and restored some routes in the second half of 2021 due to increasing vaccination rates and gradual easing of travel restrictions.

Compared with 2019, expenses on aircraft operations were 49.3% lower in 2021, followed by all other operating expenses (building rentals, communications purchased, etc.) (-49.0%) and maintenance flight equipment (-29.6%). During 2021, for the second consecutive year, operating expenses (\$15.3 billion) outpaced operating revenues (\$12.5 billion).

As such, the operating ratio—expenses divided by revenues—was 1.23 in 2021, similar to 1.24 in 2020 but much higher than 0.93 in 2019. In other words, during 2021 the industry incurred \$1.23 in operating expenses to generate each \$1.00 in operating revenue.

Aircraft operations accounted for over one-third (38.4%) of operating expenses, followed by all other operating expenses (including general administration) (31.4%) and maintenance flight equipment (14.4%).

**Chart 2**  
**Turbo fuel consumption and expenses, Canadian air carriers**



Source(s): Table 23-10-0267-01.

Canadian Level I to III air carriers consumed 3.5 billion litres of turbo fuel in 2021, virtually the same as 2020, but 59.4% below 2019. The \$2.8 billion spent on fuel costs accounted for 18.2% of total operating expenses, with higher year-over-year aviation fuel prices (+48.6%) as reported by the [Industrial Product Price Index](#). The number of hours flown was at 1.5 million in 2021, similar to the 2020 level.

Total employment (45,278) in the airline industry was just over one-third (35.6%) below the 2019 level. This lower level reflected early retirement offers, voluntary furloughs, and layoffs. Airlines paid \$3.6 billion in wages and salaries (down 29.7% from 2019), with some relying on the Canada Emergency Wage Subsidy. Similar to 2020, just under one-quarter (23.5%) of the industry's total operating expenses were payments to employees during 2021.

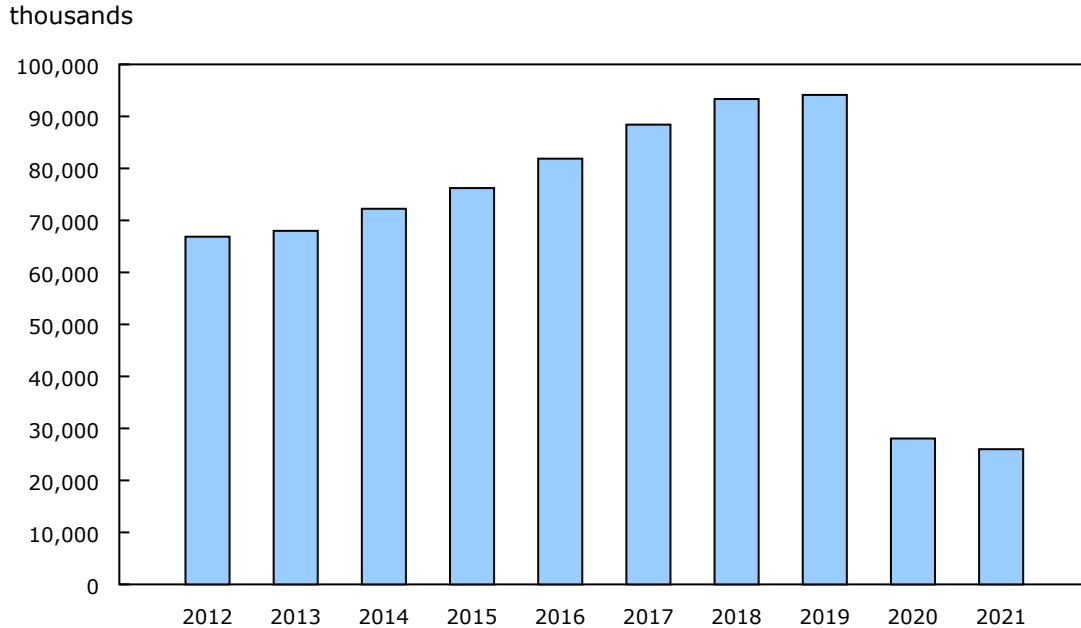
In 2021, operating revenue per employee was 34.4% below the 2019 level at \$275,191, and labour productivity—measured by tonne-kilometres (both cargo and passenger flights) per employee—declined to 188,499 tonne-kilometres, down 50.1% from 2019.

Total assets of Canadian Level I to III air carriers stood at \$41.0 billion in 2021, up 7.5% compared with 2019.

### Passenger decline continues

Canadian air carriers transported a total of 26.0 million scheduled and charter passengers in 2021, most of whom travelled in the second half of the year. This total was just over one-quarter (27.6%) of the record 94.1 million passengers in 2019.

**Chart 3**  
**Passengers carried, Canadian air carriers**



Source(s): Table 23-10-0033-01.

From 2019, the number of passengers on scheduled flights was down by 73.7% to 24.0 million in 2021, while chartered flights were 29.5% lower at 2.0 million. This decline was felt both domestically (down 62.1% to 18.5 million) and internationally (down 83.4% to 7.5 million passengers). With international traffic, levels were similarly lower for both transborder traffic with the United States (down 82.1%) and overseas traffic (down 84.4%).

Finally, carriers recorded 52.4 billion passenger-kilometres flown in scheduled and charter operations during 2021, 77.5% below 2019. On average, each passenger travelled 2,014 kilometres, down 18.7% compared with 2019. In 2021, the average domestic trip length was 1,347 kilometres, compared with 3,651 kilometres for international trips.

### Looking ahead

The first two months of 2022 experienced the travel restrictions, flight cancellations and schedule reductions first started in December 2021 to combat the Omicron variant of COVID-19. A gradual lifting of travel restrictions began in March 2022 amidst increasing vaccination rates and increasing travel demand. In response, passenger volumes began to rise with route restorations and flight resumption, but industry labour issues brought delays and congestion in airports at the start of the busy summer travel season, forcing airlines to reduce their flight schedules.

The fall of 2022 showed some improvement with additional staff hirings and the lifting of all remaining COVID-19 travel restrictions and requirements—proof of vaccination, pre- or on-arrival testing, ArriveCAN app or website submission—effective October 1st. Indeed, major airlines transported 6.0 million passengers on scheduled and charter services in October 2022, [reaching 90.6% of the pre-pandemic level reported in October 2019](#). However, the year ended with adverse weather conditions across the continent that disrupted holiday travel and forced several airlines to cancel flights.

### Note to readers

This release covers Canadian Level I, II and III air carriers.

**Level I air carriers** include every Canadian air carrier that, in the calendar year before the year in which information is provided, transported at least 2 million revenue passengers or at least 400 000 tonnes of cargo.

**Level II air carriers** include every Canadian air carrier that, in the calendar year before the year in which information is provided, transported (a) at least 100,000, but fewer than 2 million, revenue passengers, or (b) at least 50 000 tonnes, but less than 400 000 tonnes, of cargo.

**Level III air carriers** include every Canadian air carrier that (a) is not a Level I or II air carrier, and (b) in the calendar year before the year in which information is provided, realized gross revenues of at least \$2 million for the provision of air services for which the air carrier held a licence.

**Net non-operating income and loss** are from commercial ventures that are not part of air transportation services, from other revenue and expenses attributable to financing or other activities that are not an integral part of air transportation, and from special recurrent items of a non-periodic nature. **Non-operating income** can be, for example, capital gains from the sale of aircraft, interest income and foreign exchange adjustment, while **non-operating loss** can include capital losses and interest on bank loans and other debt.

The average passenger trip length is calculated by dividing the number of passenger-kilometres by the number of passengers. Trips across Canada and the world are included in this calculation.

Data for 2016 to 2020 have been revised.

Because of rounding, components may not add up to the total.

These figures are comparable with the preliminary estimates presented in the [Annual civil aviation statistics: First look, 2021](#).

**Available tables:** [23-10-0033-01](#) to [23-10-0035-01](#) , [23-10-0040-01](#), [23-10-0043-01](#), [23-10-0220-01](#), [23-10-0221-01](#), [23-10-0224-01](#), [23-10-0266-01](#) and [23-10-0267-01](#).

**Definitions, data sources and methods:** survey number [2713](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).