

Aviation

Civil Aviation, Annual Operating and Financial Statistics, Canadian Air Carriers, Levels I to III

2008



Highlights

- In 2008, Canadian Level I to III air carriers reported over 57 million enplaned passengers, an all-time high, up 4.5% from 2007, continuing the upward trend that began in 2004. The domestic sector grew 4.6% in 2008 to 34.7 million passengers, while the international sector (including Canada-United States) rose 4.4% to 22.8 million passengers. The scheduled passenger counts reached 52.5 million and the charter passenger counts, 5.0 million. In terms of passenger-kilometres flown, these carriers recorded 130.6 billion passenger-kilometres in their scheduled and charter operations in 2008, up 3.4% from the previous year. The domestic sector (+3.8%) advanced at about the same pace as the international sector (+3.2%).
- In 2008, Canadian Level I to III air carriers reported a net loss of \$679.1 million, a deterioration from the \$909.6 million profit recorded in 2007. In 2008, total operating revenues generated by the Canadian Level I to III air carriers amounted to \$17.5 billion, up 7.8% from 2007, continuing the upward trend that began in 2004. The total operating expenses increased to \$16.9 billion in 2008, up 12.0% over the previous year.
- In 2008, 96.6 cents of each operating revenue dollar were used to cover operating expenses. Aircraft operations absorbed the largest portion of each operating revenue dollar, at 53.1 cents, followed by general services and administration (28.3 cents) and maintenance (10.3 cents).
- Total assets of the Canadian Level I to III air carriers reached \$16.3 billion in 2008, up 1.2% compared to 2007.
- Total employment in the aviation industry grew 2.0% to 41,855, while total wages and salaries went up 4.4% to \$2.7 billion. In 2008, wages and salaries accounted for 15.8% of the operating expenses, down from 16.9% in 2007.
- Canadian Level I to III air carriers consumed 5.9 billion litres of fuel (turbine fuel and gasoline) in 2008 and spent \$5.5 billion acquiring the fuel. In 2008, fuel costs accounted for 32.4% of the operating expenses, up from 26.4% in 2007.

Statistical Tables

Table 1
Operating statistics, 2007 and 2008

	Levels I and II			Level III			Levels I to III		
	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008
	thousands		percent	thousands		percent	thousands		percent
All services									
Number of carriers included ¹	23	23	0.0	93	88	-5.4	116	111	-4.3
Passengers	52,890	55,283	4.5	2,067	2,169	5.0	54,956	57,452	4.5
Goods carried (kilograms)	781,243	760,921	-2.6	112,082	118,550	5.8	893,325	879,471	-1.6
Passenger-kilometres	125,267,813	129,438,907	3.3	1,066,066	1,165,788	9.4	126,333,878	130,604,695	3.4
Passenger tonne-kilometres	12,526,781	12,943,891	3.3	106,607	116,579	9.4	12,633,388	13,060,469	3.4
Goods tonne-kilometres	1,935,680	1,716,881	-11.3	61,495	65,987	7.3	1,997,175	1,782,868	-10.7
Total tonne-kilometres	14,462,461	14,660,772	1.4	168,101	182,566	8.6	14,630,563	14,843,338	1.5
Hours flown	1,998	2,056	2.9	558	563	0.9	2,556	2,620	2.5
Scheduled services									
Passengers	49,390	51,507	4.3	1,021	974	-4.6	50,411	52,481	4.1
Goods carried (kilograms)	384,058	344,632	-10.3	27,042	27,516	1.8	411,100	372,148	-9.5
Passenger-kilometres	113,829,446	116,820,577	2.6	508,430	511,855	0.7	114,337,876	117,332,433	2.6
Passenger tonne-kilometres	11,382,945	11,682,058	2.6	50,843	51,186	0.7	11,433,788	11,733,243	2.6
Goods tonne-kilometres	1,670,006	1,426,692	-14.6	13,736	13,780	0.3	1,683,741	1,440,472	-14.4
Total tonne-kilometres	13,052,950	13,108,749	0.4	64,579	64,966	0.6	13,117,529	13,173,715	0.4
Hours flown	1,800	1,861	3.4	148	148	0.2	1,948	2,009	3.1
Charter services									
Passengers	3,500	3,776	7.9	1,046	1,195	14.3	4,546	4,971	9.4
Goods carried (kilograms)	397,185	416,289	4.8	85,040	91,034	7.0	482,225	507,323	5.2
Passenger-kilometres	11,438,366	12,618,329	10.3	557,636	653,933	17.3	11,996,002	13,272,262	10.6
Passenger tonne-kilometres	1,143,837	1,261,833	10.3	55,764	65,393	17.3	1,199,600	1,327,226	10.6
Goods tonne-kilometres	265,674	290,189	9.2	47,759	52,207	9.3	313,433	342,397	9.2
Total tonne-kilometres	1,409,511	1,552,022	10.1	103,523	117,601	13.6	1,513,034	1,669,623	10.3
Hours flown	198	195	-1.5	411	416	1.2	609	610	0.3

1. Figures expressed in full, not in thousands.

Note(s): Level I air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, transported at least 1 million revenue passengers, or at least 200 thousand tonnes of revenue goods.

Level II air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, transported at least 100 thousand but fewer than 1 million revenue passengers, or at least 30 thousand but less than 200 thousand tonnes of revenue goods.

Level III air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, realized annual gross revenues of at least 1 million dollars for the air services for which the air carrier held a licence.

Table 2
Selected operating statistics, by sector, 2008

	Domestic		International	
	2008	Change from 2007 to 2008	2008	Change from 2007 to 2008
	thousands	percent	thousands	percent
All services				
Passengers	34,655	4.6	22,798	4.4
Passenger-kilometres	45,173,875	3.8	85,430,820	3.2

Table 3
Income statement, 2007 and 2008

	Levels I and II			Level III			Levels I to III		
	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008
	thousands of dollars		percent	thousands of dollars		percent	thousands of dollars		percent
Operating revenues									
Scheduled services	13,009,382	13,926,444	7.0	292,998	316,842	8.1	13,302,380	14,243,287	7.1
Passengers	12,352,938	13,248,970	7.3	220,284	239,534	8.7	12,573,221	13,488,504	7.3
Goods	656,444	677,474	3.2	72,715	77,308	6.3	729,159	754,782	3.5
Charter services	1,407,443	1,576,554	12.0	688,213	769,785	11.9	2,095,656	2,346,339	12.0
Passengers	1,033,277	1,186,968	14.9	571,745	643,758	12.6	1,605,022	1,830,726	14.1
Goods	374,166	389,586	4.1	116,468	126,027	8.2	490,634	515,613	5.1
Other flying services	0	0	...	19,991	27,746	38.8	19,991	27,746	38.8
Subsidies	0	0	...	0	0	...	0	0	...
Net incidental air transport related revenue	632,439	715,725	13.2	178,097	154,316	-13.4	810,536	870,040	7.3
Total operating revenues	15,049,263	16,218,723	7.8	1,179,300	1,268,689	7.6	16,228,563	17,487,411	7.8
Operating expenses									
Maintenance, ground property and equipment	74,645	90,076	20.7	26,551	36,546	37.6	101,195	126,622	25.1
Aircraft operations	7,178,432	8,626,139	20.2	561,043	651,534	16.1	7,739,475	9,277,672	19.9
Maintenance, flight equipment	1,468,521	1,432,551	-2.4	244,039	242,903	-0.5	1,712,560	1,675,453	-2.2
General services and administration	4,647,438	4,740,119	2.0	197,114	204,558	3.8	4,844,552	4,944,678	2.1
Depreciation	627,834	805,782	28.3	64,750	65,614	1.3	692,584	871,397	25.8
Total operating expenses	13,996,871	15,694,668	12.1	1,093,497	1,201,155	9.8	15,090,367	16,895,822	12.0
Operating income (loss)	1,052,392	524,055	-50.2	85,803	67,534	-21.3	1,138,196	591,589	-48.0
Non-operating income (expenses)									
Capital gains (losses), net	22,356	-24,460	...	6,423	6,122	-4.7	28,779	-18,338	...
Interest and discount income	71,291	58,660	-17.7	1,372	1,075	-21.6	72,664	59,736	-17.8
Interest expenses	389,649	373,186	-4.2	21,366	20,200	-5.5	411,015	393,386	-4.3
Miscellaneous non-operating income (expenses), net	396,146	-790,934	...	-7,598	4,665	...	388,548	-786,268	...
Total non-operating income (expenses), net	100,144	-1,129,920	...	-21,168	-8,337	-60.6	78,976	-1,138,257	...
Income (loss) before provision for income taxes	1,152,537	-605,865	...	64,635	59,197	-8.4	1,217,172	-546,668	...
Provision for income taxes (tax refund)	290,337	119,286	-58.9	17,215	13,158	-23.6	307,552	132,444	-56.9
Net income (loss)	862,200	-725,151	...	47,420	46,038	-2.9	909,620	-679,112	...

Note(s): Level I air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, transported at least 1 million revenue passengers, or at least 200 thousand tonnes of revenue goods.

Level II air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, transported at least 100 thousand but fewer than 1 million revenue passengers, or at least 30 thousand but less than 200 thousand tonnes of revenue goods.

Level III air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, realized annual gross revenues of at least 1 million dollars for the air services for which the air carrier held a licence.

Table 4
Balance sheet, 2007 and 2008

	Levels I and II			Level III			Levels I to III		
	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008
	thousands of dollars		percent	thousands of dollars		percent	thousands of dollars		percent
Assets									
Current assets	2,830,252	3,496,670	23.5	353,512	364,030	3.0	3,183,764	3,860,700	21.3
Investments and special funds	3,074,704	2,429,331	-21.0	73,024	64,209	-12.1	3,147,728	2,493,540	-20.8
Operating property and equipment	10,648,059	11,564,474	8.6	894,834	942,277	5.3	11,542,894	12,506,751	8.4
Less: accumulated depreciation	1,600,935	2,405,672	50.3	348,322	372,113	6.8	1,949,257	2,777,785	42.5
Non-operating property and equipment	170,589	241,863	41.8	52,419	59,989	14.4	223,008	301,852	35.4
Less: accumulated depreciation	65,032	101,530	56.1	21,691	24,391	12.4	86,722	125,921	45.2
Deferred charges ²	x	x	x	x	x	x	x	x	x
Total assets	15,057,638	15,225,136	1.1	1,003,777	1,034,001	3.0	16,061,414	16,259,137	1.2
Liabilities and capital									
Current liabilities	4,050,862	5,122,832	26.5	278,566	315,222	13.2	4,329,428	5,438,055	25.6
Advances from associated companies and/or shareholders	99,693	78,708	-21.0	51,615	50,980	-1.2	151,308	129,688	-14.3
Long-term debt and other non-current liabilities	5,509,986	5,946,652	7.9	301,371	272,857	-9.5	5,811,356	6,219,509	7.0
Non-current obligations under capital lease	1,508,705	1,723,789	14.3	63,684	53,770	-15.6	1,572,389	1,777,559	13.0
Deferred income taxes ³	x	x	x	x	x	x	x	x	x
Other deferred credits ³	x	x	x	x	x	x	x	x	x
Provisions for major overhauls	88,288	83,881	-5.0	21,643	26,177	20.9	109,931	110,059	0.1
Other provisions ⁴	x	x	x	x	x	x	x	x	x
Total liabilities	11,257,534	12,955,863	15.1	716,879	719,007	0.3	11,974,413	13,674,870	14.2
Shareholders equity (incorporated carriers)									
Number of carriers included ¹	23	22	-4.3	92	88	-4.3	115	110	-4.3
Capital stock	2,692,560	2,716,120	0.9	123,819	127,427	2.9	2,816,379	2,843,547	1.0
Other paid-in capital ⁵	x	x	x	x	x	x	x	x	x
Retained earnings	1,063,397	194,806	-81.7	165,999	187,264	12.8	1,229,396	382,070	-68.9
Reserves	44,147	-641,653	...	-2,920	303	...	41,227	-641,350	...
Total shareholders equity	3,800,104	2,269,273	-40.3	286,898	314,993	9.8	4,087,002	2,584,267	-36.8
Total liabilities and capital	15,057,638	15,225,136	1.1	1,003,777	1,034,001	3.0	16,061,414	16,259,137	1.2

1. Figures expressed in full, not in thousands.

2. For reasons of confidentiality, "deferred charges" are included with "investments and special funds".

3. For reasons of confidentiality, "deferred income taxes" and "other deferred credits" are included with "non-current obligations under capital lease".

4. For reasons of confidentiality, "other provisions" are included with "provisions for major overhauls".

5. For reasons of confidentiality, "other paid-in capital" is included with "capital stock".

Note(s): Level I air carriers. This includes every Canadian air carrier that, in each of the two calendar years immediately preceding the reporting year, transported at least 1 million revenue passengers, or at least 200 thousand tonnes of revenue goods.

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Table 5
Financial performance indicators, 2006 to 2008

	Levels I and II			Level III			Levels I to III		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
	ratio								
Liquidity ratios									
Current ratio ¹	0.849	0.699	0.683	1.200	1.269	1.155	0.862	0.735	0.710
Debt structure ratio ²	0.504	0.360	0.395	0.398	0.389	0.438	0.499	0.362	0.398
Solvency ratios									
Debt-to-asset (debt) ratio ³	0.820	0.748	0.851	0.743	0.714	0.695	0.816	0.746	0.841
Debt-to equity (leverage) ratio ⁴	4.555	2.962	5.709	2.894	2.499	2.283	4.437	2.930	5.292
Profitability ratios									
Operating ratio ⁵	0.954	0.930	0.968	0.922	0.927	0.947	0.952	0.930	0.966
Profit margin ⁶	0.018	0.057	-0.045	0.067	0.040	0.036	0.021	0.056	-0.039
Return on assets ⁷	0.016	0.057	-0.048	0.084	0.047	0.045	0.019	0.057	-0.042
Return on investment ⁸	0.035	0.083	-0.023	0.105	0.069	0.064	0.039	0.082	-0.018

1. Current ratio = Current assets divided by current liabilities.
2. Debt structure ratio = Current liabilities divided by total liabilities.
3. Debt-to-asset (debt) ratio = Total liabilities divided by total assets.
4. Debt-to equity (leverage) ratio = Total liabilities divided by total shareholders' equity.
5. Operating ratio = Operating expenses divided by operating revenue.
6. Profit margin = Net income divided by operating revenue.
7. Return on assets = Net income divided by total assets.
8. Return on investment = Sum of net income and interest expenses divided by total assets.

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Table 6
Employment and fuel consumption, 2007 and 2008

	Levels I and II			Level III			Levels I to III		
	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008	2007	2008	Change from 2007 to 2008
			percent			percent			percent
Average number of employees, wages and salaries paid									
Pilots and co-pilots (number)	7,128	7,369	3.4	2,378	2,495	4.9	9,506	9,864	3.8
Wages and salaries ('000\$)	799,916	851,712	6.5	113,935	125,828	10.4	913,850	977,540	7.0
Other flight personnel (number)	10,651	11,050	3.7	434	408	-6.0	11,085	11,458	3.4
Wages and salaries ('000\$)	510,803	498,013	-2.5	12,695	13,816	8.8	523,498	511,829	-2.2
General management and administration (number)	1,903	1,874	-1.5	1,124	1,116	-0.7	3,027	2,990	-1.2
Wages and salaries ('000\$)	177,479	197,624	11.4	55,554	56,937	2.5	233,033	254,562	9.2
Maintenance labour (number)	4,751	5,015	5.6	1,447	1,454	0.5	6,198	6,469	4.4
Wages and salaries ('000\$)	289,502	304,691	5.2	71,954	78,323	8.9	361,455	383,014	6.0
Aircraft and traffic servicing (number)	5,745	5,423	-5.6	1,144	1,116	-2.4	6,889	6,539	-5.1
Wages and salaries ('000\$)	249,387	253,085	1.5	26,300	29,134	10.8	275,687	282,219	2.4
Other personnel (number)	3,719	3,958	6.4	616	577	-6.3	4,335	4,535	4.6
Wages and salaries ('000\$)	231,635	243,271	5.0	18,178	17,636	-3.0	249,814	260,907	4.4
Total average number of employees (number)	33,897	34,689	2.3	7,143	7,166	0.3	41,040	41,855	2.0
Wages and salaries ('000\$)	2,258,722	2,348,397	4.0	298,615	321,674	7.7	2,557,337	2,670,071	4.4
Fuel and oil									
Turbine fuel ('000 litres)	5,654,992	5,680,812	0.5	211,360	213,320	0.9	5,866,352	5,894,132	0.5
Cost ('000\$)	3,756,292	5,204,236	38.5	200,720	242,806	21.0	3,957,012	5,447,043	37.7
Gasoline ('000 litres)	159	200	26.1	20,264	20,695	2.1	20,423	20,895	2.3
Cost ('000\$)	408	224	-45.1	21,254	24,967	17.5	21,663	25,191	16.3
Turbine oil ('000 litres)	..	..	..	..	..	..	..	..	..
Cost ('000\$)	..	..	..	..	..	..	..	..	..
Piston oil ('000 litres)	0	0	...	43	31	-28.0	43	31	-28.0
Cost ('000\$)	0	0	...	160	124	-22.2	160	124	-22.2

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Table 7
Wages and salaries paid, by sector, by province and territory, 2007 and 2008

	2007	2008	Change from 2007 to 2008
	thousands of dollars		percent
Domestic			
Newfoundland and Labrador	24,978	23,469	-6.0
Prince Edward Island	1,480	905	-38.9
Nova Scotia	74,528	81,110	8.8
New Brunswick	15,269	16,224	6.3
Quebec	446,460	452,689	1.4
Ontario	880,272	905,548	2.9
Manitoba	98,644	101,238	2.6
Saskatchewan	25,654	24,736	-3.6
Alberta	448,235	525,969	17.3
British Columbia	339,451	328,722	-3.2
Yukon	10,438	11,085	6.2
Northwest Territories	40,021	44,793	11.9
Nunavut	16,788	21,809	29.9
Total domestic	2,422,216	2,538,298	4.8
International	93,242	85,149	-8.7
Total	2,515,459	2,623,447	4.3

Note(s): Total wages and salaries in this table do not equal total salaries and wages from the previous table due to the fact that this table is based on calendar quarters, and the previous table can be based on carrier's fiscal year end.

Release date: March 2010

Symbols

The following standard symbols are used in Statistics Canada publications:

.	not available for any reference period
..	not available for a specific reference period
...	not applicable
0	true zero or a value rounded to zero
0 ^s	value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
P	preliminary
r	revised
x	suppressed to meet the confidentiality requirements of the <i>Statistics Act</i>
E	use with caution
F	too unreliable to be published

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