

Aviation

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

2009



Highlights

- In 2009, Canadian Level I to III air carriers reported 55 million enplaned passengers, down 4.7% from 2008, reversing the upward trend that began in 2004. The domestic sector declined 4.7% in 2009 to 32.3 million passengers, while the international sector (including Canada-United States) edged down 1.2% to 22.7 million passengers. The scheduled passenger counts reached 50.1 million and the charter passenger counts, 4.9 million. In terms of passenger-kilometres flown, these carriers recorded 123.0 billion passenger-kilometres in their scheduled and charter operations in 2009, down 5.1% from the previous year. Both the domestic sector and the international sector regressed at the same pace (-5.1%).
- After reporting a net loss of \$677.1 million in 2008, Canadian Level I to III air carriers returned to profitability in 2009, with a recorded net income of \$225.6 million. In 2009, total operating revenues generated by the Canadian Level I to III air carriers amounted to \$15.4 billion, down 12.0% from 2008, reversing the upward trend that began in 2004. The total operating expenses decreased to \$15.3 billion in 2009, down 9.7% from the previous year.
- In 2009, 99.0 cents of each operating revenue dollar were used to cover operating expenses. Aircraft operations absorbed the largest portion of each operating revenue dollar, at 50.6 cents, followed by general services and administration (30.2 cents) and maintenance (12.5 cents).
- Total assets of the Canadian Level I to III air carriers reached \$15.5 billion in 2009, down 4.1% compared to 2008.
- The aviation industry's earning power is reflected in the profitability ratios of profit margin, return on investment and return on assets. In 2009, the profit margin was 1.5% compared to -3.9% in 2008. This shows that every dollar of service sold, in 2009, earned 1.5 cents of profit for the Canadian Level I to III air carriers. The negative result for 2008 reflected the increases in the operating expenses (aircraft operations—fuel cost and wages and salaries—and general services and administration) and non-operating expenses (net miscellaneous non-operating expenses), which offset the gains in operating revenues, while the small profit margin in 2009 reflected the sharp drop in fuel costs and the improvement in net miscellaneous non-operating income. Both return on assets and return on investment also showed that the aviation industry returned to profitability in 2009. The rate of return on assets went from -4.2% in 2008 to 1.5% in 2009, while the rate of return on investment went from -1.8% in 2008 to 4.4% in 2009.
- Total employment in the aviation industry grew 2.2% to 42,824, while total wages and salaries went up 1.0% to \$2.7 billion. In 2009, wages and salaries accounted for 17.7% of the operating expenses, up from 15.8% in 2008.
- Canadian Level I to III air carriers consumed 5.6 billion litres of fuel (turbine fuel and gasoline) in 2009 and spent \$3.4 billion acquiring the fuel. In 2009, fuel costs accounted for 22.4% of the operating expenses, down from 32.4% in 2008.

Statistical Tables

Table 1
Operating statistics, 2008 and 2009

	Levels I and II			Level III			Levels I to III		
	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009
	thousands		percent	thousands		percent	thousands		percent
All services									
Number of carriers included ¹	23	22	-4.3	89	90	1.1	112	112	0.0
Passengers	55,459	52,852	-4.7	2,246	2,159	-3.8	57,705	55,011	-4.7
Goods carried (kilograms)	..	..	..	103,358	97,499	-5.7	..	..	..
Passenger-kilometres	128,353,502	121,723,944	-5.2	1,246,965	1,233,929	-1.0	129,600,466	122,957,873	-5.1
Passenger tonne-kilometres	12,835,350	12,172,394	-5.2	124,696	123,393	-1.0	12,960,047	12,295,787	-5.1
Goods tonne-kilometres	1,752,968	1,580,874	-9.8	56,528	44,817	-20.7	1,809,496	1,625,691	-10.2
Total tonne-kilometres	14,588,318	13,753,269	-5.7	181,225	168,210	-7.2	14,769,543	13,921,479	-5.7
Hours flown	2,058	1,968	-4.4	563	550	-2.4	2,622	2,518	-3.9
Scheduled services									
Passengers	51,507	49,192	-4.5	1,004	947	-5.7	52,511	50,139	-4.5
Goods carried (kilograms)	..	..	..	27,499	27,103	-1.4	..	..	..
Passenger-kilometres	116,820,577	111,911,136	-4.2	482,234	454,426	-5.8	117,302,811	112,365,562	-4.2
Passenger tonne-kilometres	11,682,058	11,191,114	-4.2	48,223	45,443	-5.8	11,730,281	11,236,556	-4.2
Goods tonne-kilometres	1,426,692	1,249,878	-12.4	13,760	13,082	-4.9	1,440,451	1,262,960	-12.3
Total tonne-kilometres	13,108,749	12,440,992	-5.1	61,983	58,525	-5.6	13,170,732	12,499,516	-5.1
Hours flown	1,861	1,784	-4.2	151	145	-3.7	2,012	1,929	-4.1
Charter services									
Passengers	3,952	3,660	-7.4	1,241	1,212	-2.3	5,194	4,873	-6.2
Goods carried (kilograms)	..	..	..	75,859	70,397	-7.2	..	..	..
Passenger-kilometres	11,532,924	9,812,808	-14.9	764,731	779,503	1.9	12,297,655	10,592,311	-13.9
Passenger tonne-kilometres	1,153,292	981,281	-14.9	76,473	77,950	1.9	1,229,766	1,059,231	-13.9
Goods tonne-kilometres	326,276	330,996	1.4	42,769	31,735	-25.8	369,045	362,731	-1.7
Total tonne-kilometres	1,479,568	1,312,277	-11.3	119,242	109,685	-8.0	1,598,810	1,421,962	-11.1
Hours flown	197	184	-6.3	413	405	-2.0	609	589	-3.4

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, 2009

	Domestic		International	
	2009	Change from 2008 to 2009	2009	Change from 2008 to 2009
	thousands	percent	thousands	percent
All services				
Passengers	32,302	-7.0	22,710	-1.2
Passenger-kilometres	42,696,974	-5.1	80,260,899	-5.1

Table 3
Income statement, 2008 and 2009

	Levels I and II			Level III			Levels I to III		
	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009
	thousands of dollars		percent	thousands of dollars		percent	thousands of dollars		percent
Operating revenues									
Scheduled services	13,926,444	12,261,418	-12.0	350,040	356,085	1.7	14,276,484	12,617,504	-11.6
Passengers	13,248,970	11,714,620	-11.6	266,828	279,896	4.9	13,515,798	11,994,515	-11.3
Goods	677,474	546,799	-19.3	83,212	76,189	-8.4	760,686	622,988	-18.1
Charter services	1,576,554	1,257,408	-20.2	719,946	719,187	-0.1	2,296,500	1,976,595	-13.9
Passengers	1,186,968	949,086	-20.0	602,096	609,482	1.2	1,789,064	1,558,568	-12.9
Goods	389,586	308,322	-20.9	117,850	109,705	-6.9	507,436	418,027	-17.6
Other flying services	0	0	...	27,891	24,133	-13.5	27,891	24,133	-13.5
Subsidies	0	0	...	0	0	...	0	0	...
Net incidental air transport related revenue	715,725	619,771	-13.4	175,941	159,215	-9.5	891,666	778,986	-12.6
Total operating revenues	16,218,723	14,138,597	-12.8	1,273,818	1,258,620	-1.2	17,492,541	15,397,217	-12.0
Operating expenses									
Maintenance, ground property and equipment	90,076	85,356	-5.2	38,309	40,133	4.8	128,386	125,489	-2.3
Aircraft operations	8,626,139	7,132,613	-17.3	653,327	654,593	0.2	9,279,466	7,787,205	-16.1
Maintenance, flight equipment	1,432,551	1,560,197	8.9	238,365	245,037	2.8	1,670,916	1,805,235	8.0
General services and administration	4,740,119	4,447,562	-6.2	206,889	196,164	-5.2	4,947,008	4,643,726	-6.1
Depreciation	805,782	823,970	2.3	60,635	64,447	6.3	866,418	888,417	2.5
Total operating expenses	15,694,668	14,049,698	-10.5	1,197,525	1,200,374	0.2	16,892,193	15,250,072	-9.7
Operating income (loss)	524,055	88,899	-83.0	76,293	58,246	-23.7	600,348	147,145	-75.5
Non-operating income (expenses)									
Capital gains (losses), net	-24,460	-94,275	285.4	5,911	4,777	-19.2	-18,549	-89,498	382.5
Interest and discount income	58,660	16,612	-71.7	1,050	547	-47.9	59,710	17,159	-71.3
Interest expenses	373,186	436,274	16.9	18,589	19,707	6.0	391,775	455,981	16.4
Miscellaneous non-operating income (expenses), net	-790,934	638,702	...	-141	11,852	...	-791,074	650,555	...
Total non-operating income (expenses), net	-1,129,920	124,766	...	-11,769	-2,531	-78.5	-1,141,688	122,235	...
Income (loss) before provision for income taxes	-605,865	213,665	...	64,524	55,715	-13.7	-541,341	269,380	...
Provision for income taxes (tax refund)	119,286	29,075	-75.6	16,493	14,706	-10.8	135,779	43,781	-67.8
Net income (loss)	-725,151	184,590	...	48,031	41,010	-14.6	-677,120	225,599	...

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, 2008 and 2009

	Levels I and II			Level III			Levels I to III		
	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009
	thousands of dollars		percent	thousands of dollars		percent	thousands of dollars		percent
Assets									
Current assets	3,491,409	3,428,438	-1.8	354,326	378,074	6.7	3,845,735	3,806,512	-1.0
Investments and special funds	2,429,331	2,636,533	8.5	62,732	62,501	-0.4	2,492,063	2,699,035	8.3
Operating property and equipment	11,600,023	11,272,101	-2.8	890,870	999,098	12.1	12,490,893	12,271,198	-1.8
Less: accumulated depreciation	2,411,586	2,956,215	22.6	344,310	378,315	9.9	2,755,896	3,334,530	21.0
Non-operating property and equipment	210,189	183,828	-12.5	60,340	45,952	-23.8	270,529	229,780	-15.1
Less: accumulated depreciation	96,298	101,328	5.2	25,600	21,616	-15.6	121,898	122,944	0.9
Deferred charges ²	x	x	x	x	x	x	x	x	x
Total assets	15,223,068	14,463,356	-5.0	998,359	1,085,694	8.7	16,221,427	15,549,050	-4.1
Liabilities and capital									
Current liabilities	5,123,122	4,123,749	-19.5	307,556	280,966	-8.6	5,430,678	4,404,715	-18.9
Advances from associated companies and/or shareholders	98,492	147,351	49.6	54,976	94,216	71.4	153,468	241,568	57.4
Long-term debt and other non-current liabilities	5,914,471	5,297,813	-10.4	257,793	235,915	-8.5	6,172,264	5,533,729	-10.3
Non-current obligations under capital lease	1,722,912	1,578,391	-8.4	48,118	53,801	11.8	1,771,030	1,632,192	-7.8
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	96,278	77,396	-19.6	26,211	28,650	9.3	122,490	106,045	-13.4
Other provisions ⁴	x	x	x	x	x	x	x	x	x
Total liabilities	12,955,275	11,224,700	-13.4	694,655	693,549	-0.2	13,649,929	11,918,249	-12.7
Shareholders equity (incorporated carriers)									
Number of carriers included ¹	22	22	0.0	89	90	1.1	111	112	0.9
Capital stock	2,716,188	3,176,329	16.9	123,413	239,445	94.0	2,839,601	3,415,774	20.3
Other paid-in capital ⁵	x	x	x	x	x	x	x	x	x
Retained earnings	193,258	210,569	9.0	180,361	153,571	-14.9	373,619	364,140	-2.5
Reserves	-641,653	-148,242	-76.9	309	-871	...	-641,344	-149,113	-76.7
Total shareholders equity	2,267,793	3,238,656	42.8	304,083	392,145	29.0	2,571,876	3,630,801	41.2
Total liabilities and capital	15,223,068	14,463,356	-5.0	998,359	1,085,694	8.7	16,221,427	15,549,050	-4.1

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.

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 5
Financial performance indicators, 2007 to 2009

	Levels I and II			Level III			Levels I to III		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
	ratio								
Liquidity ratios									
Current ratio ¹	0.699	0.682	0.831	1.260	1.152	1.346	0.735	0.708	0.864
Debt structure ratio ²	0.360	0.395	0.367	0.390	0.443	0.405	0.362	0.398	0.370
Solvency ratios									
Debt-to-asset (debt) ratio ³	0.748	0.851	0.776	0.716	0.696	0.639	0.746	0.841	0.766
Debt-to-equity (leverage) ratio ⁴	2.962	5.713	3.466	2.508	2.284	1.769	2.931	5.307	3.283
Profitability ratios									
Operating ratio ⁵	0.931	0.968	0.994	0.927	0.940	0.954	0.930	0.966	0.990
Profit margin ⁶	0.057	-0.045	0.013	0.040	0.038	0.033	0.056	-0.039	0.015
Return on assets ⁷	0.057	-0.048	0.013	0.047	0.048	0.038	0.056	-0.042	0.015
Return on investment ⁸	0.083	-0.023	0.043	0.068	0.067	0.056	0.082	-0.018	0.044

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, 2008 and 2009

	Levels I and II			Level III			Levels I to III		
	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009	2008	2009	Change from 2008 to 2009
			percent			percent			percent
Average number of employees, wages and salaries paid									
Pilots and co-pilots (number)	7,369	7,191	-2.4	2,564	2,359	-8.0	9,933	9,550	-3.9
Wages and salaries ('000\$)	851,712	835,016	-2.0	128,448	129,743	1.0	980,160	964,758	-1.6
Other flight personnel (number)	11,050	10,453	-5.4	437	425	-2.7	11,487	10,878	-5.3
Wages and salaries ('000\$)	498,013	460,313	-7.6	14,334	16,219	13.2	512,346	476,532	-7.0
General management and administration (number)	1,874	1,935	3.3	1,125	1,158	2.9	2,999	3,093	3.1
Wages and salaries ('000\$)	197,624	168,896	-14.5	55,885	65,826	17.8	253,509	234,723	-7.4
Maintenance labour (number)	5,015	5,527	10.2	1,460	1,450	-0.7	6,475	6,977	7.8
Wages and salaries ('000\$)	304,691	340,773	11.8	78,636	85,496	8.7	383,327	426,270	11.2
Aircraft and traffic servicing (number)	5,423	4,487	-17.3	1,158	1,100	-5.0	6,581	5,587	-15.1
Wages and salaries ('000\$)	253,085	212,731	-15.9	29,863	30,153	1.0	282,948	242,883	-14.2
Other personnel (number)	3,958	6,221	57.2	463	518	11.9	4,421	6,739	52.4
Wages and salaries ('000\$)	243,271	334,657	37.6	14,466	17,109	18.3	257,737	351,767	36.5
Total average number of employees (number)	34,689	35,814	3.2	7,207	7,010	-2.7	41,896	42,824	2.2
Wages and salaries ('000\$)	2,348,397	2,352,387	0.2	321,631	344,546	7.1	2,670,028	2,696,932	1.0
Fuel and oil									
Turbine fuel ('000 litres)	5,680,412	5,358,542	-5.7	212,093	208,827	-1.5	5,892,505	5,567,369	-5.5
Cost ('000\$)	5,205,328	3,198,319	-38.6	244,441	197,965	-19.0	5,449,768	3,396,284	-37.7
Gasoline ('000 litres)	200	101	-49.4	20,353	15,364	-24.5	20,553	15,465	-24.8
Cost ('000\$)	224	118	-47.5	24,582	18,120	-26.3	24,806	18,238	-26.5
Turbine oil ('000 litres)	..	..	..	..	..	..	..	..	..
Cost ('000\$)	..	..	..	..	..	..	..	..	..
Piston oil ('000 litres)	0	0	...	31	36	15.0	31	36	15.0
Cost ('000\$)	0	0	...	119	159	33.8	119	159	33.8

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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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 7
Wages and salaries paid, by sector, by province and territory, 2008 and 2009

	2008	2009	Change from 2008 to 2009
	thousands of dollars		percent
Domestic			
Newfoundland and Labrador	23,964	21,382	-10.8
Prince Edward Island	905	561	-38.1
Nova Scotia	80,940	83,489	3.1
New Brunswick	16,150	20,241	25.3
Quebec	453,824	465,582	2.6
Ontario	904,273	897,932	-0.7
Manitoba	101,238	108,038	6.7
Saskatchewan	24,736	25,148	1.7
Alberta	526,399	559,181	6.2
British Columbia	329,074	339,341	3.1
Yukon	10,729	10,363	-3.4
Northwest Territories	43,476	53,102	22.1
Nunavut	21,668	24,646	13.7
Total domestic	2,537,375	2,609,005	2.8
International	85,149	90,229	6.0
Total	2,622,524	2,699,234	2.9

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.

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Symbols

The following standard symbols are used in Statistics Canada publications:

.	not available for any reference period
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0 ^s	value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
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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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