

Aviation

Civil Aviation, Quarterly Operating and Financial Statistics, Canadian Air Carriers, Levels I and II

First Quarter 2007 to Fourth Quarter 2007



Highlights

- In 2007, Canadian Level I and II air carriers reported nearly 53 million enplaned passengers in their scheduled and charter operations, an all-time high, up 6.4% from 2006, continuing the upward trend that began in 2004. The scheduled passenger counts reached 49.4 million and the charter passenger counts, 3.5 million. The scheduled passenger counts reached an all-time high (13.5 million) in the third quarter of 2007. In terms of passenger-kilometres flown, these carriers recorded 125.4 billion passenger-kilometres in their scheduled and charter operations in 2007, also an all-time high, up 6.5% from the previous year.
- In 2007, Canadian Level I and II air carriers reported an improvement in their scheduled passenger load factor (a measure of the fullness of their aircraft) compared to 2006. The passenger load factor improved from 78.1% in 2006 to 81.3% in 2007, as the demand, as measured by passenger-kilometres, advanced at a faster pace (+6.1%) than the supply (capacity), as measured by available seat-kilometres (+2.0%). The passenger load factor on scheduled flights reached an all-time high (85.5%) in the second quarter of 2007—largely due to a decrease in capacity; in the next quarter, it reached 81.7%. These quarters represent the only two quarters for which the Canadian Level I and II air carriers' passenger load factors have ever surpassed 80%.
- In 2007, the total operating revenues operated by the Canadian Level I and II air carriers amounted to \$15.1 billion, up 6.3% from 2006, continuing the upward trend that began in 2004. The total operating expenses increased to \$13.9 billion in 2007, up 2.6% over the previous year. These carriers reported an operating income in all quarters of 2007. In 2007, Canadian Level I and II air carriers reported a net income of \$879.9 million, an improvement in profitability from the \$264.4 million recorded in 2006 and an all-time high. On a quarterly basis, the net income varied between \$72.5 million in the first quarter of 2007 and \$464.1 million in the third quarter of 2007.
- Between the first quarter of 2007 and the fourth quarter of 2007, the operating ratio (it displays the carrier's ability to meet its short-term obligations and represents the proportion of operating revenue absorbed by operating expenses) hovered between 0.85 in the third quarter and 0.98 in the first quarter. Overall, this means that the Canadian Level I and II air carriers made 15.0 cents of profit for every dollar spent in the third quarter of 2007 and 2.0 cents of profit in the first quarter of 2007.
- Between the first quarter of 2007 and the fourth quarter of 2007, the highest profit margin (it indicates the profit margin earned by revenue dollar and is obtained by dividing net income by operating revenue—this ratio is expressed as a percentage) was recorded in the third quarter (10.9%). This shows that every dollar of service sold earned 10.9 cents of profit for the Canadian Level I and II air carriers.

- In 2007, the operating revenue per employee varied from \$107,614 in the fourth quarter to \$128,180 in the third quarter. This employee productivity measure showed quarterly year-over-year increases from 2006 to 2007, the gains ranging from 0.6% in the second quarter to 5.4% in the first quarter. Another yardstick used to measure productivity within the aviation industry is to calculate tonne-kilometres flown per employee. According to this measure, labour productivity in 2007 bettered the previous year level in each quarter, the increases ranging from 0.1% in the third quarter to 3.0% in the first quarter. As for the previous year, the tonne-kilometres flown per employee were higher in the third quarter, at 123,268.
- Total employment reported by Canadian Level I and II air carriers rose steadily from 31,960 in the second quarter of 2006 to 33,337 in the fourth quarter of 2007. The string of quarterly year-over-year increases for total wages and salaries paid by Canadian Level I and II air carriers that began in the fourth quarter of 2005 continued in each quarter of 2007.

Table 1**Financial performance indicators, Canadian air carriers, Levels I and II – First quarter 2006 to fourth quarter 2007**

	Operating ratio	Profit margin
	ratio	percent
2006		
First quarter	1.00	-1.1
Second quarter	0.94	5.9
Third quarter	0.91	5.1
Fourth quarter	0.98	-5.1
2007		
First quarter	0.98	2.0
Second quarter	0.95	6.0
Third quarter	0.85	10.9
Fourth quarter	0.92	3.4

Table 2**Productivity measures, Canadian air carriers, Levels I and II – First quarter 2006 to fourth quarter 2007**

	Operating revenue per employee	Tonne-kilometres flown per employee
	dollars	tonne-kilometres
2006		
First quarter	104,889	106,963
Second quarter	110,698	105,003
Third quarter	122,809	123,180
Fourth quarter	103,075	97,991
2007		
First quarter	110,554	110,180
Second quarter	111,331	106,077
Third quarter	128,180	123,268
Fourth quarter	107,614	100,054
	% change from 2006 to 2007	
First quarter	5.4	3.0
Second quarter	0.6	1.0
Third quarter	4.4	0.1
Fourth quarter	4.4	2.1

Statistical Tables

Table 3
Operating statistics – First quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands		percent
All services			
Number of carriers included ¹	23	23	0.0
Passengers	12,391	13,146	6.1
Goods carried (kilograms)	159,871	155,487	-2.7
Passenger-kilometres	28,984,475	31,090,216	7.3
Passenger tonne-kilometres	2,898,447	3,109,022	7.3
Goods tonne-kilometres	532,598	490,454	-7.9
Total tonne-kilometres	3,431,046	3,599,475	4.9
Hours flown	450	487	8.3
Scheduled services			
Passengers	10,768	11,658	8.3
Goods carried (kilograms)	103,227	94,370	-8.6
Passenger-kilometres	23,837,181	25,940,090	8.8
Available seat-kilometres	31,058,849	32,469,501	4.5
Passenger load factor (percent)	76.7	79.9	...
Passenger tonne-kilometres	2,383,718	2,594,009	8.8
Goods tonne-kilometres	467,339	418,622	-10.4
Total tonne-kilometres	2,851,057	3,012,630	5.7
Available tonne-kilometres	4,320,453	4,787,172	10.8
Weight load factor (percent)	66.0	62.9	...
Hours flown	392	426	8.7
Charter services			
Passengers	1,623	1,488	-8.3
Goods carried (kilograms)	56,644	61,117	7.9
Passenger-kilometres	5,147,293	5,150,127	0.1
Passenger tonne-kilometres	514,729	515,013	0.1
Goods tonne-kilometres	65,259	71,832	10.1
Total tonne-kilometres	579,989	586,845	1.2
Hours flown	57	61	5.9

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.

Table 4
Income Statement – First quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands of dollars		percent
Operating revenues			
Scheduled services	2,812,176	2,980,924	6.0
Passengers	2,657,108	2,828,907	6.5
Goods	155,067	152,017	-2.0
Charter services	451,466	537,185	19.0
Passengers	358,671	438,434	22.2
Goods	92,795	98,751	6.4
Other revenues (including subsidies)	100,881	93,570	-7.2
Total operating revenues	3,364,522	3,611,679	7.3
Operating expenses			
Total operating expenses	3,349,080	3,526,516	5.3
Non-operating income (expenses)			
Total non-operating income (expenses), net (including provision for income taxes)	-52,790	-12,694	-76.0
Net income (loss)	-37,348	72,469	...
Employment expenses			
Average number of employees ¹	32,077	32,669	1.8
Total wages and salaries paid	490,042	533,307	8.8

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.

Table 5
Operating statistics – Second quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands		percent
All services			
Number of carriers included ¹	23	23	0.0
Passengers	12,120	12,961	6.9
Goods carried (kilograms)	169,018	160,369	-5.1
Passenger-kilometres	28,159,437	30,117,443	7.0
Passenger tonne-kilometres	2,815,944	3,011,744	7.0
Goods tonne-kilometres	539,960	487,102	-9.8
Total tonne-kilometres	3,355,903	3,498,846	4.3
Hours flown	444	484	9.2
Scheduled services			
Passengers	11,666	12,323	5.6
Goods carried (kilograms)	104,114	92,373	-11.3
Passenger-kilometres	26,867,077	28,076,303	4.5
Available seat-kilometres	33,846,146	32,851,981	-2.9
Passenger load factor (percent)	79.4	85.5	...
Passenger tonne-kilometres	2,686,708	2,807,630	4.5
Goods tonne-kilometres	469,725	409,789	-12.8
Total tonne-kilometres	3,156,433	3,217,420	1.9
Available tonne-kilometres	4,565,446	4,919,260	7.7
Weight load factor (percent)	69.1	65.4	...
Hours flown	415	445	7.1
Charter services			
Passengers	454	637	40.4
Goods carried (kilograms)	64,905	67,996	4.8
Passenger-kilometres	1,292,360	2,041,140	57.9
Passenger tonne-kilometres	129,236	204,114	57.9
Goods tonne-kilometres	70,234	77,312	10.1
Total tonne-kilometres	199,470	281,426	41.1
Hours flown	28	40	39.7

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.

Table 6
Income Statement – Second quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands of dollars		percent
Operating revenues			
Scheduled services	3,119,014	3,193,497	2.4
Passengers	2,958,384	3,034,086	2.6
Goods	160,630	159,410	-0.8
Charter services	282,046	303,513	7.6
Passengers	178,677	201,896	13.0
Goods	103,369	101,617	-1.7
Other revenues (including subsidies)	136,865	175,147	28.0
Total operating revenues	3,537,924	3,672,156	3.8
Operating expenses			
Total operating expenses	3,320,282	3,481,755	4.9
Non-operating income (expenses)			
Total non-operating income (expenses), net (including provision for income taxes)	-9,715	30,813	...
Net income (loss)	207,928	221,215	6.4
Employment expenses			
Average number of employees ¹	31,960	32,984	3.2
Total wages and salaries paid	497,826	556,624	11.8

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.

Table 7
Operating statistics – Third quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands		percent
All services			
Number of carriers included ¹	23	23	0.0
Passengers	13,597	14,199	4.4
Goods carried (kilograms)	163,128	168,720	3.4
Passenger-kilometres	34,300,938	35,739,759	4.2
Passenger tonne-kilometres	3,430,094	3,573,976	4.2
Goods tonne-kilometres	530,745	504,848	-4.9
Total tonne-kilometres	3,960,839	4,078,824	3.0
Hours flown	513	553	8.0
Scheduled services			
Passengers	12,881	13,521	5.0
Goods carried (kilograms)	102,827	99,633	-3.1
Passenger-kilometres	32,148,659	33,665,812	4.7
Available seat-kilometres	40,275,303	41,191,467	2.3
Passenger load factor (percent)	79.8	81.7	...
Passenger tonne-kilometres	3,214,866	3,366,581	4.7
Goods tonne-kilometres	464,034	427,289	-7.9
Total tonne-kilometres	3,678,900	3,793,870	3.1
Available tonne-kilometres	5,262,453	5,789,846	10.0
Weight load factor (percent)	69.9	65.5	...
Hours flown	471	496	5.2
Charter services			
Passengers	716	679	-5.3
Goods carried (kilograms)	60,301	69,087	14.6
Passenger-kilometres	2,152,280	2,073,947	-3.6
Passenger tonne-kilometres	215,228	207,395	-3.6
Goods tonne-kilometres	66,712	77,559	16.3
Total tonne-kilometres	281,940	284,954	1.1
Hours flown	42	58	39.0

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.

Table 8
Income Statement – Third quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands of dollars		percent
Operating revenues			
Scheduled services	3,610,400	3,763,028	4.2
Passengers	3,432,000	3,590,361	4.6
Goods	178,400	172,667	-3.2
Charter services	308,604	284,129	-7.9
Passengers	220,048	203,186	-7.7
Goods	88,555	80,943	-8.6
Other revenues (including subsidies)	29,926	194,201	548.9
Total operating revenues	3,948,930	4,241,358	7.4
Operating expenses			
Total operating expenses	3,602,603	3,620,362	0.5
Non-operating income (expenses)			
Total non-operating income (expenses), net (including provision for income taxes)	-145,820	-156,918	7.6
Net income (loss)	200,506	464,079	131.5
Employment expenses			
Average number of employees ¹	32,155	33,089	2.9
Total wages and salaries paid	519,498	556,428	7.1

1. Figures expressed in full, not in thousands.

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Table 9
Operating statistics – Fourth quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands		percent
All services			
Number of carriers included ¹	24	23	-4.2
Passengers	11,621	12,601	8.4
Goods carried (kilograms)	197,398	172,801	-12.5
Passenger-kilometres	26,352,780	28,454,654	8.0
Passenger tonne-kilometres	2,635,278	2,845,465	8.0
Goods tonne-kilometres	565,095	490,048	-13.3
Total tonne-kilometres	3,200,373	3,335,513	4.2
Hours flown	449	486	8.3
Scheduled services			
Passengers	11,098	11,903	7.3
Goods carried (kilograms)	122,884	97,835	-20.4
Passenger-kilometres	24,516,847	26,188,869	6.8
Available seat-kilometres	32,258,822	33,610,086	4.2
Passenger load factor (percent)	76.0	77.9	...
Passenger tonne-kilometres	2,451,685	2,618,887	6.8
Goods tonne-kilometres	486,742	412,392	-15.3
Total tonne-kilometres	2,938,427	3,031,278	3.2
Available tonne-kilometres	4,460,842	4,700,992	5.4
Weight load factor (percent)	65.9	64.5	...
Hours flown	417	445	6.8
Charter services			
Passengers	523	697	33.3
Goods carried (kilograms)	74,514	74,966	0.6
Passenger-kilometres	1,835,932	2,265,785	23.4
Passenger tonne-kilometres	183,593	226,578	23.4
Goods tonne-kilometres	78,353	77,656	-0.9
Total tonne-kilometres	261,946	304,234	16.1
Hours flown	32	41	27.6

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.

Table 10
Income Statement – Fourth quarter of 2006 and 2007

	2006	2007	Change from 2006 to 2007
	thousands of dollars		percent
Operating revenues			
Scheduled services	2,905,191	3,092,741	6.5
Passengers	2,724,904	2,920,618	7.2
Goods	180,286	172,123	-4.5
Charter services	326,659	314,002	-3.9
Passengers	213,152	213,383	0.1
Goods	113,507	100,618	-11.4
Other revenues (including subsidies)	134,590	180,791	34.3
Total operating revenues	3,366,439	3,587,534	6.6
Operating expenses			
Total operating expenses	3,301,339	3,293,392	-0.2
Non-operating income (expenses)			
Total non-operating income (expenses), net (including provision for income taxes)	-171,777	-171,996	0.1
Net income (loss)	-106,677	122,146	...
Employment expenses			
Average number of employees ¹	32,660	33,337	2.1
Total wages and salaries paid	537,805	570,141	6.0

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.

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Symbols

The following standard symbols are used in Statistics Canada publications:

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..	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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