

Aviation

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

2013



Highlights

- In 2013, Canadian Level I to III air carriers reported 67.3 million enplaned passengers, up 0.6% from 2012. The domestic sector rose 3.0% to 37.4 million passengers, while the international sector (including Canada-United States) decreased 2.1% to 29.9 million passengers. The passenger counts on scheduled flights reached 60.7 million (+0.8%), while the number of passengers flying on chartered flights declined 1.0% to 6.6 million. These air carriers recorded 155.8 billion passenger-kilometres flown in their scheduled and charter operations in 2013, down 0.3% from the previous year. The domestic sector advanced 2.8%, while the international sector declined by 1.7%.
- After reporting a net income of \$680.4 million in 2012, Canadian Level I to III air carriers reported a net income of \$521.6 million in 2013. In 2013, total operating revenues reached \$20.6 billion, up 1.7% (or +\$0.3 billion) from 2012. Total operating expenses increased to \$19.3 billion in 2013, up 0.6% (or +\$0.1 billion) from the previous year.
- In 2013, 93.7 cents of each operating revenue dollar were used to cover operating expenses. Aircraft operations accounted for the largest portion of each dollar, at 49.9 cents, followed by general services and administration (28.3 cents) and maintenance (10.7 cents).
- Total assets of the Canadian Level I to III air carriers stood at \$19.3 billion in 2013, up 14.3% compared to 2012.
- The aviation industry's earning power is reflected in the profitability ratios of profit margin, return on investment and return on assets. In 2013, the profit margin was 2.5% compared to 3.4% in 2012. This shows that every dollar of service sold in 2013 earned 2.5 cents of profit for the Canadian Level I to III air carriers. The decline in profit in 2013 compared to 2012 reflected the increase in net non-operating expenses. Operating income rose substantially as the gain in operating revenues more than offset the increase in operating expenses; however, this increase was not enough to offset the rise in net non-operating expenses. Both return on assets and return on investment also showed decreasing profitability within the aviation industry in 2013. The rate of return on assets declined from 4.0% in 2012 to 2.7% in 2013, while the rate of return on investment dropped from 6.4% in 2012 to 5.2% in 2013.
- Total employment in the aviation industry grew 0.5% to 54,682, while total wages and salaries increased 2.6% to \$3.7 billion compared with 2012. In 2013, wages and salaries accounted for 19.3% of the industry's total operating expenses, up from 18.9% in 2012.
- Canadian Level I to III air carriers consumed 6.5 billion litres of fuel (turbine fuel and gasoline) in 2013 and spent \$5.9 billion to purchase the fuel. In 2013, fuel costs accounted for 30.3% of total operating expenses, down from 30.9% in 2012.

Statistical Tables

Table 1
Operating statistics, 2012 and 2013

	Levels I and II			Level III			Levels I to III		
	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013
	thousands		percent	thousands		percent	thousands		percent
All services									
Number of carriers included ¹	25	25	0.0	73	72	-1.4	98	97	-1.0
Passengers	65,222	65,541	0.5	1,646	1,756	6.7	66,867	67,297	0.6
Goods carried (kilograms)	682,925	662,226	-3.0	64,084	49,233	-23.2	747,009	711,459	-4.8
Passenger-kilometres	155,042,110	154,391,515	-0.4	1,280,472	1,404,419	9.7	156,322,582	155,795,933	-0.3
Passenger tonne-kilometres	15,504,211	15,439,151	-0.4	128,047	140,442	9.7	15,632,258	15,579,593	-0.3
Goods tonne-kilometres	2,254,475	2,244,169	-0.5	28,677	22,007	-23.3	2,283,151	2,266,176	-0.7
Total tonne-kilometres	17,758,686	17,683,320	-0.4	156,724	162,449	3.7	17,915,410	17,845,769	-0.4
Hours flown	2,352	2,315	-1.5	463	450	-2.8	2,815	2,766	-1.7
Scheduled services									
Passengers	59,774	60,259	0.8	393	403	2.5	60,167	60,662	0.8
Goods carried (kilograms)	435,716	434,584	-0.3	10,010	11,539	15.3	445,726	446,123	0.1
Passenger-kilometres	139,458,045	139,774,798	0.2	237,278	243,189	2.5	139,695,323	140,017,987	0.2
Passenger tonne-kilometres	13,945,804	13,977,480	0.2	23,728	24,319	2.5	13,969,532	14,001,799	0.2
Goods tonne-kilometres	1,950,300	1,952,519	0.1	5,029	5,042	0.3	1,955,329	1,957,561	0.1
Total tonne-kilometres	15,896,105	15,929,999	0.2	28,757	29,361	2.1	15,924,862	15,959,360	0.2
Hours flown	2,120	2,087	-1.6	79	80	1.3	2,199	2,167	-1.4
Charter services									
Passengers	5,448	5,282	-3.0	1,253	1,353	8.0	6,701	6,635	-1.0
Goods carried (kilograms)	247,210	227,642	-7.9	54,074	37,695	-30.3	301,284	265,336	-11.9
Passenger-kilometres	15,584,066	14,616,717	-6.2	1,043,194	1,161,230	11.3	16,627,260	15,777,947	-5.1
Passenger tonne-kilometres	1,558,407	1,461,672	-6.2	104,319	116,123	11.3	1,662,726	1,577,795	-5.1
Goods tonne-kilometres	304,174	291,649	-4.1	23,648	16,965	-28.3	327,822	308,614	-5.9
Total tonne-kilometres	1,862,581	1,753,321	-5.9	127,967	133,088	4.0	1,990,548	1,886,409	-5.2
Hours flown	231	228	-1.4	384	370	-3.6	616	599	-2.8

1. Figures expressed in full, not in thousands.

Note(s): **Level I air carriers.** This includes 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 thousand tonnes of cargo.
Level II air carriers. This includes every Canadian air carrier that, in the calendar year before the year in which information is provided, transported (a) at least 100 thousand but fewer than 2 million revenue passengers; or (b) at least 50 thousand but less than 400 thousand tonnes of cargo.
Level III air carriers. This includes every Canadian air carrier that (a) is not a level I air carrier or level 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 dollars for the provision of air services for which the air carrier held a licence.

Table 2
Selected operating statistics, by sector, 2013

	Domestic		International	
	2013	Change from 2012 to 2013	2013	Change from 2012 to 2013
	thousands	percent	thousands	percent
All services				
Passengers	37,407	3.0	29,890	-2.1
Passenger-kilometres	48,339,099	2.8	107,456,835	-1.7

Table 3
Income statement, 2012 and 2013¹

	Levels I and II			Level III			Levels I to III		
	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013
	thousands of dollars		percent	thousands of dollars		percent	thousands of dollars		percent
Operating revenues									
Scheduled services	16,648,913	16,929,797	1.7	246,569	245,499	-0.4	16,895,482	17,175,296	1.7
Passengers	15,777,847	16,062,279	1.8	215,655	217,577	0.9	15,993,502	16,279,856	1.8
Goods	871,066	867,518	-0.4	30,914	27,921	-9.7	901,980	895,440	-0.7
Charter services	1,528,738	1,533,941	0.3	854,254	819,825	-4.0	2,382,993	2,353,766	-1.2
Passengers	1,299,116	1,322,332	1.8	761,419	752,365	-1.2	2,060,535	2,074,697	0.7
Goods	229,623	211,609	-7.8	92,835	67,460	-27.3	322,458	279,069	-13.5
Other flying services	x	x	x	x	x	x	80,388	92,290	14.8
Subsidies ²	x	x	x	x	x	x	x	x	x
Net incidental air transport related revenue	791,336	873,172	10.3	152,604	144,890	-5.1	943,939	1,018,062	7.9
Total operating revenues	19,011,322	19,374,369	1.9	1,291,481	1,265,044	-2.0	20,302,803	20,639,413	1.7
Operating expenses									
Maintenance, ground property and equipment	134,223	145,620	8.5	83,947	76,235	-9.2	218,170	221,856	1.7
Aircraft operations	9,773,148	9,640,298	-1.4	697,534	661,011	-5.2	10,470,682	10,301,310	-1.6
Maintenance, flight equipment	1,792,509	1,806,448	0.8	164,817	179,054	8.6	1,957,326	1,985,502	1.4
General services and administration	5,328,600	5,627,005	5.6	181,350	209,838	15.7	5,509,950	5,836,842	5.9
Depreciation	995,243	927,569	-6.8	68,612	68,420	-0.3	1,063,855	995,989	-6.4
Total operating expenses	18,023,723	18,146,940	0.7	1,196,259	1,194,559	-0.1	19,219,982	19,341,499	0.6
Operating income (loss)	987,599	1,227,429	24.3	95,222	70,486	-26.0	1,082,821	1,297,915	19.9
Non-operating income (expenses)									
Capital gains (losses), net	-9,601	337	...	2,436	11,546	374.0	-7,165	11,883	...
Interest and discount income	158,312	151,892	-4.1	860	1,124	30.8	159,172	153,016	-3.9
Interest expenses	378,357	465,777	23.1	18,126	20,519	13.2	396,483	486,296	22.7
Miscellaneous non-operating income (expenses), net	-23,657	-296,473	...	3,527	13,198	274.2	-20,130	-283,274	...
Total non-operating income (expenses), net	-253,303	-610,020	140.8	-11,304	5,349	...	-264,607	-604,671	128.5
Income (loss) before provision for income taxes	734,296	617,409	-15.9	83,918	75,835	-9.6	818,214	693,244	-15.3
Provision for income taxes (tax refund)	128,203	161,002	25.6	9,599	10,657	11.0	137,802	171,659	24.6
Net income (loss)	606,093	456,406	-24.7	74,320	65,179	-12.3	680,412	521,585	-23.3

1. Canadian Level IV air carriers reported \$1.0 billion in revenue in 2013, down from \$1.1 billion in 2012. In 2013, the revenues for helicopters and for fixed-wing aircraft totalled \$768.9 million and \$230.1 million, respectively.

2. For reasons of confidentiality "subsidies" are included with "net incidental air transport related revenue".

Note(s): Level I air carriers. This includes 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 thousand tonnes of cargo.

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

Level III air carriers. This includes every Canadian air carrier that (a) is not a level I air carrier or level 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 dollars for the provision of air services for which the air carrier held a licence.

Level IV air carriers. This includes every Canadian air carrier that (a) is not a level I air carrier, level II air carrier or level III air carrier; and (b) in the calendar year before the year in which information is provided, realized gross revenues of less than 2 million dollars for the provision of air services for which the air carrier held a licence.

Table 4
Balance sheet, 2012 and 2013

	Levels I and II			Level III			Levels I to III		
	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013
	thousands of dollars		percent	thousands of dollars		percent	thousands of dollars		percent
Assets									
Current assets	5,427,222	5,587,338	3.0	343,199	379,454	10.6	5,770,421	5,966,792	3.4
Investments and special funds	1,537,303	1,496,233	-2.7	65,835	70,060	6.4	1,603,138	1,566,293	-2.3
Operating property and equipment	12,529,752	13,771,645	9.9	904,452	986,371	9.1	13,434,205	14,758,016	9.9
Less: accumulated depreciation	4,810,568	4,901,156	1.9	346,210	367,311	6.1	5,156,779	5,268,467	2.2
Non-operating property and equipment	86,658	87,106	0.5	65,968	54,614	-17.2	152,626	141,719	-7.1
Less: accumulated depreciation	10,667	11,118	4.2	32,146	31,419	-2.3	42,814	42,537	-0.6
Deferred charges	1,151,943	2,214,114	92.2	7,523	7,451	-1.0	1,159,466	2,221,565	91.6
Total assets	15,911,642	18,244,161	14.7	1,008,621	1,099,221	9.0	16,920,264	19,343,382	14.3
Liabilities and capital									
Current liabilities	5,154,956	5,373,620	4.2	281,102	295,779	5.2	5,436,058	5,669,399	4.3
Advances from associated companies and/or shareholders	66,829	67,023	0.3	150,972	168,598	11.7	217,801	235,621	8.2
Long-term debt and other non-current liabilities	x	x	x	x	x	x	x	x	x
Non-current obligations under capital lease	x	x	x	x	x	x	x	x	x
Deferred income taxes	470,591	418,034	-11.2	44,197	41,301	-6.6	514,788	459,335	-10.8
Other deferred credits	185,839	171,530	-7.7	999	1,839	84.1	186,838	173,369	-7.2
Provisions for major overhauls	170,824	168,947	-1.1	3,403	1,283	-62.3	174,227	170,230	-2.3
Other provisions	127,087	204,535	60.9	950	847	-10.9	128,037	205,382	60.4
Total liabilities	15,921,028	15,157,483	-4.8	682,374	760,162	11.4	16,603,401	15,917,645	-4.1
Shareholders equity									
Number of carriers included ¹	25	25	0.0	73	72	-1.4	98	97	-1.0
Capital stock	2,710,144	2,748,632	1.4	182,519	179,394	-1.7	2,892,663	2,928,026	1.2
Other paid-in capital ²	x	x	x	x	x	x	x	x	x
Retained earnings	-2,719,530	338,047	...	143,729	159,664	11.1	-2,575,801	497,711	...
Reserves ³	x	x	x	x	x	x	x	x	x
Total shareholders equity	-9,385	3,086,678	...	326,248	339,058	3.9	316,862	3,425,737	981.1
Total liabilities and capital	15,911,642	18,244,161	14.7	1,008,621	1,099,221	9.0	16,920,264	19,343,382	14.3

1. Figures expressed in full, not in thousands.

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

3. For reasons of confidentiality, "reserves" is included with "retained earnings".

Note(s): Level I air carriers. This includes 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 thousand tonnes of cargo.

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

Level III air carriers. This includes every Canadian air carrier that (a) is not a level I air carrier or level 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 dollars for the provision of air services for which the air carrier held a licence.

Table 5
Financial performance indicators, 2011 to 2013

	Levels I and II			Level III			Levels I to III		
	2011	2012	2013	2011	2012	2013	2011	2012	2013
	ratio								
Liquidity ratios									
Current ratio ¹	1.112	1.053	1.040	1.327	1.221	1.283	1.123	1.062	1.052
Debt structure ratio ²	0.290	0.324	0.355	0.373	0.412	0.389	0.293	0.327	0.356
Solvency ratios									
Debt-to-asset (debt) ratio ³	1.051	1.001	0.831	0.686	0.677	0.692	1.030	0.981	0.823
Debt-to equity (leverage) ratio ⁴	...	...	4.911	2.189	2.092	2.242	...	...	4.646
Profitability ratios									
Operating ratio ⁵	0.971	0.948	0.937	0.939	0.926	0.944	0.969	0.947	0.937
Profit margin ⁶	0.005	0.032	0.024	0.054	0.058	0.052	0.008	0.034	0.025
Return on assets ⁷	0.005	0.038	0.025	0.064	0.074	0.059	0.009	0.040	0.027
Return on investment ⁸	0.029	0.062	0.051	0.082	0.092	0.078	0.032	0.064	0.052

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

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Table 6
Employment and fuel consumption, 2012 and 2013

	Levels I and II			Level III			Levels I to III		
	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013	2012	2013	Change from 2012 to 2013
	percent			percent			percent		
Average number of employees, wages and salaries paid									
Pilots and co-pilots (number)	7,989	8,088	1.2	2,253	2,085	-7.5	10,242	10,173	-0.7
Wages and salaries ('000\$)	1,034,966	1,070,633	3.4	129,573	131,093	1.2	1,164,539	1,201,725	3.2
Other flight personnel (number)	11,849	11,966	1.0	327	352	7.6	12,176	12,318	1.2
Wages and salaries ('000\$)	611,808	635,120	3.8	14,344	13,178	-8.1	626,152	648,297	3.5
General management and administration (number)	3,192	2,921	-8.5	1,088	976	-10.3	4,280	3,897	-8.9
Wages and salaries ('000\$)	257,927	260,297	0.9	64,876	58,941	-9.1	322,803	319,237	-1.1
Maintenance labour (number)	11,155	11,164	0.1	1,321	1,322	0.1	12,476	12,486	0.1
Wages and salaries ('000\$)	659,161	658,246	-0.1	77,511	83,013	7.1	736,672	741,259	0.6
Aircraft and traffic servicing (number)	9,068	9,071	0.0	382	354	-7.3	9,450	9,425	-0.3
Wages and salaries ('000\$)	410,490	409,267	-0.3	13,905	14,611	5.1	424,395	423,878	-0.1
Other personnel (number)	5,572	6,129	10.0	219	254	16.0	5,791	6,383	10.2
Wages and salaries ('000\$)	350,479	383,967	9.6	7,126	9,928	39.3	357,605	393,896	10.1
Total average number of employees (number)	48,825	49,339	1.1	5,590	5,343	-4.4	54,415	54,682	0.5
Wages and salaries ('000\$)	3,324,831	3,417,529	2.8	307,335	310,763	1.1	3,632,166	3,728,293	2.6
Fuel and oil									
Turbine fuel ('000 litres)	6,413,425	6,359,586	-0.8	172,192	156,268	-9.2	6,585,617	6,515,854	-1.1
Cost ('000\$)	5,724,567	5,660,483	-1.1	192,248	177,071	-7.9	5,916,815	5,837,554	-1.3
Gasoline ('000 litres)	1,031	615	-40.3	22,620	24,420	8.0	23,651	25,035	5.9
Cost ('000\$)	1,197	691	-42.3	27,997	29,707	6.1	29,194	30,397	4.1
Turbine oil ('000 litres)	..	..	..	..	..	..	..	..	..
Cost ('000\$)	..	..	..	..	..	..	..	..	..
Piston oil ('000 litres)	0	0	...	28	24	-15.1	28	24	-15.1
Cost ('000\$)	0	0	...	104	118	13.2	104	118	13.2

Note(s): Level I air carriers. This includes 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 thousand tonnes of cargo.

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

Level III air carriers. This includes every Canadian air carrier that (a) is not a level I air carrier or level 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 dollars for the provision of air services for which the air carrier held a licence.

Table 7
Wages and salaries paid, by sector, by province and territory, 2012 and 2013

	2012	2013	Change from 2012 to 2013
	thousands of dollars		percent
Domestic			
Newfoundland and Labrador	35,372	37,801	6.9
Prince Edward Island	265	269	1.7
Nova Scotia	93,366	94,112	0.8
New Brunswick	26,693	27,423	2.7
Quebec	689,001	697,115	1.2
Ontario	1,223,745	1,263,287	3.2
Manitoba	127,648	110,607	-13.4
Saskatchewan	33,165	31,353	-5.5
Alberta	726,113	792,520	9.1
British Columbia	432,970	442,930	2.3
Yukon	17,787	18,022	1.3
Northwest Territories	55,388	47,207	-14.8
Nunavut	26,153	30,613	17.1
Total domestic	3,487,666	3,593,260	3.0
International	80,709	83,136	3.0
Total	3,568,376	3,676,396	3.0

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
..	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
*	significantly different from reference category ($p < 0.05$)

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