

## Aviation

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



First Quarter 2015 to Fourth Quarter 2015

#### Highlights

- In 2015, Canadian Level I and II air carriers reported 73.5 million passengers in their scheduled and charter operations, up 4.8% from 2014. The passenger counts on scheduled flights reached 72.0 million (+6.8%), while the number of passengers flying on chartered flights declined 44.8% to 1.5 million, as a major charter carrier, CanJet Airlines, suspended its services on September 1, 2015. Scheduled services saw a growth in passengers carried over 2014 in each of the four quarters; conversely, charter services saw a decline in passengers carried in all four quarters of 2015. The scheduled passenger counts totalled 19.8 million in the third quarter of 2015, the highest number ever recorded for a quarter, surpassing the 18.5 million reported in the same quarter of 2014.
- In 2015, these carriers recorded 174.5 billion passenger-kilometres flown in their scheduled and charter operations, up 5.6% from the previous year. Scheduled services accounted for 98.8% of the demand for travel, as measured by passenger-kilometres.
- These same carriers reported a slight decline in their scheduled passenger load factor (a measure of the fullness of their aircraft) compared to 2014. The load factor decreased from 82.5% in 2014 to 82.1% in 2015, as the demand for travel, as measured by passenger-kilometres, advanced at a slightly slower pace (+7.8%) than the supply (capacity), as measured by available seat-kilometres (+8.3%). In 2015, these carriers recorded their highest passenger load factor on scheduled flights in the third quarter (85.2%) and their lowest, in the fourth quarter (79.4%).
- Total operating revenues in 2015 reached \$21.3 billion, up 2.4% (+\$502.2 million) from 2014, reflecting growth in the first three quarters. Passenger revenues accounted for 88.5% of total operating revenues, down from 89.2% the year before. The increase in operating revenues was mainly due to traffic growth of 5.6% partly offset by a yield (passenger revenues per passenger-kilometre) decline of 3.8%.
- In 2015, total operating expenses amounted to \$19.0 billion, down 1.8% (-\$355.9 million) from the previous year, largely because of lower fuel costs. This decrease was largely offset by the impact of the capacity growth and the unfavourable impact of a weaker Canadian dollar on foreign currency denominated operating expenses.
- Canadian Level I and II air carriers reported net operating income of \$2.4 billion in 2015, up from \$1.5 billion the previous year following year-over-year increases in all four quarters.
- Net income (net operating income plus net non-operating income) rose 93.5% to \$1.1 billion in 2015 from \$588.3 million in 2014, marking the fourth increase in six years. This improvement in profitability was largely accounted for by the increase in net operating income of \$638.8 million in the first and third quarters of 2015 combined. However, the rise in net non-operating loss from \$909.8 million in 2014 to \$1.2 billion in 2015 dampened the increase in net income.

- From the first quarter of 2015 to the fourth quarter of 2015, the operating ratio (which reflects a carrier's ability to meet its short-term obligations and represents the proportion of operating revenue absorbed by operating expenses) ranged between 0.81 in the third quarter and 0.94 in the fourth quarter. Overall, this means that the carriers earned 19.0 cents of profit for every dollar spent in the third quarter of 2015 and 6.0 cents of profit in the fourth quarter. An operating ratio greater than 1.00 would indicate that these carriers experienced an operating loss.
- For the four quarters of 2015, the highest profit margin (11.5%) was recorded in the third quarter. The profit margin represents the profit earned per revenue dollar and is obtained by dividing net income by operating revenue, with this ratio being expressed as a percentage. In other words, every dollar of service sold in the third quarter earned 11.5 cents of profit for the carriers. The negative profit margin for the fourth quarter (-1.6%) reflected the strong increase in non-operating expenses, which offset the gain in net operating income. While the third quarter produced the highest profit margin in 2015, the most notable increase occurred in the first quarter (from -5.4% in 2014 to +0.5% in 2015).
- In 2015, operating revenue per employee varied from \$95,766 in the fourth quarter to \$122,988 in the third quarter. This employee productivity measure showed year-over-year increases from 2014 to 2015 in each of the first three quarters, with the gains ranging from 2.0% in the second quarter to 4.3% in the first quarter, before declining by 2.6% in the fourth quarter. Another method of assessing productivity in the aviation industry is to calculate tonne-kilometres flown per employee. According to this measure, labour productivity in 2015 bettered the previous level in each of the four quarters. The increases ranged from 1.3% in the fourth quarter to 5.6% in the third quarter. As in the previous year, the tonne-kilometres flown per employee were highest in the third quarter, at 113,541.
- Total employment reported by Canadian Level I and II air carriers rose in all but the second quarter of 2015 compared to the previous year, with the gains ranging from 0.2% in the first quarter to 1.8% in the fourth quarter. In the second quarter, it remained virtually unchanged (-25 employees) at 50,176 employees. The string of quarterly year-over-year increases in total wages and salaries paid that began in the fourth quarter of 2005 (except for the fourth quarter of 2013) continued in each quarter of 2015. Increases ranged from 3.0% in the first quarter to 10.4% in the second quarter. Overall, the total amount paid in wages and salaries in 2015 rose 5.8% to \$3.7 billion.

## Statistical Tables

**Table 1**

**Financial performance indicators, Canadian air carriers, Levels I and II – First quarter 2014 to fourth quarter 2015**

	Operating ratio	Profit margin
	ratio	percent
<b>2014</b>		
First quarter	0.99	-5.4
Second quarter	0.93	6.6
Third quarter	0.85	9.5
Fourth quarter	0.96	-0.8
<b>2015</b>		
First quarter	0.92	0.5
Second quarter	0.90	9.3
Third quarter	0.81	11.5
Fourth quarter	0.94	-1.6

**Table 2**

**Productivity measures, Canadian air carriers, Levels I and II – First quarter 2014 to fourth quarter 2015**

	Operating revenue per employee	Tonne-kilometres flown per employee
	dollars	tonne-kilometres
<b>2014</b>		
First quarter	100,225	93,421
Second quarter	101,532	92,419
Third quarter	119,389	107,529
Fourth quarter	98,319	86,926
<b>2015</b>		
First quarter	104,529	96,806
Second quarter	103,566	96,230
Third quarter	122,988	113,541
Fourth quarter	95,766	88,038
	% change from 2014 to 2015	
First quarter	4.3	3.6
Second quarter	2.0	4.1
Third quarter	3.0	5.6
Fourth quarter	-2.6	1.3

**Table 3**  
**Operating statistics – First quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands		percent
<b>All services</b>			
Number of carriers included <sup>1</sup>	25	25	0.0
Passengers	17,356	18,111	4.4
Goods carried (kilograms)	164,854	161,343	-2.1
Passenger-kilometres	40,649,646	42,540,258	4.7
Passenger tonne-kilometres	4,064,965	4,254,026	4.7
Goods tonne-kilometres	559,773	548,823	-2.0
Total tonne-kilometres	4,624,737	4,802,849	3.9
Hours flown	606	614	1.3
<b>Scheduled services</b>			
Passengers	16,226	17,665	8.9
Goods carried (kilograms)	112,492	115,202	2.4
Passenger-kilometres	37,916,667	41,776,568	10.2
Available seat-kilometres	46,484,137	51,206,118	10.2
Passenger load factor (percent)	81.6	81.6	...
Passenger tonne-kilometres	3,791,667	4,177,657	10.2
Goods tonne-kilometres	490,926	483,622	-1.5
Total tonne-kilometres	4,282,593	4,661,278	8.8
Available tonne-kilometres	5,814,076	6,259,007	7.7
Weight load factor (percent)	73.7	74.5	...
Hours flown	556	584	5.0
<b>Charter services</b>			
Passengers	1,129	446	-60.5
Goods carried (kilograms)	52,362	46,141	-11.9
Passenger-kilometres	2,732,979	763,689	-72.1
Passenger tonne-kilometres	273,298	76,369	-72.1
Goods tonne-kilometres	68,846	65,201	-5.3
Total tonne-kilometres	342,144	141,570	-58.6
Hours flown	50	30	-39.6

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.

**Table 4**  
**Income statement – First quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands of dollars		percent
<b>Operating revenues</b>			
Scheduled services	4,363,334	4,713,887	8.0
Passengers	4,149,679	4,493,712	8.3
Goods	213,656	220,174	3.1
Charter services	381,684	187,515	-50.9
Passengers	328,329	132,766	-59.6
Goods	53,355	54,748	2.6
Other revenues (including subsidies)	216,518	284,576	31.4
Total operating revenues	4,961,536	5,185,977	4.5
<b>Operating expenses</b>			
Total operating expenses	4,921,158	4,781,672	-2.8
<b>Non-operating income (expenses)</b>			
Total non-operating income (expenses), net (including provision for income taxes)	-308,568	-376,184	21.9
<b>Net income (loss)</b>	<b>-268,190</b>	<b>28,122</b>	...
<b>Employment expenses</b>			
Average number of employees <sup>1</sup>	49,504	49,613	0.2
Total wages and salaries paid	854,682	880,362	3.0

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.

**Table 5**  
**Operating statistics – Second quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands		percent
<b>All services</b>			
Number of carriers included <sup>1</sup>	25	25	0.0
Passengers	17,216	17,951	4.3
Goods carried (kilograms)	167,179	155,612	-6.9
Passenger-kilometres	40,569,631	42,707,705	5.3
Passenger tonne-kilometres	4,056,963	4,270,771	5.3
Goods tonne-kilometres	582,556	557,689	-4.3
Total tonne-kilometres	4,639,520	4,828,459	4.1
Hours flown	593	616	3.9
<b>Scheduled services</b>			
Passengers	16,522	17,654	6.8
Goods carried (kilograms)	111,504	130,190	16.8
Passenger-kilometres	39,168,835	42,347,825	8.1
Available seat-kilometres	47,406,790	51,823,871	9.3
Passenger load factor (percent)	82.6	81.7	...
Passenger tonne-kilometres	3,916,883	4,234,782	8.1
Goods tonne-kilometres	513,846	523,651	1.9
Total tonne-kilometres	4,430,729	4,758,433	7.4
Available tonne-kilometres	6,292,525	6,943,682	10.3
Weight load factor (percent)	70.4	68.5	...
Hours flown	552	592	7.1
<b>Charter services</b>			
Passengers	694	297	-57.2
Goods carried (kilograms)	55,674	25,422	-54.3
Passenger-kilometres	1,400,796	359,881	-74.3
Passenger tonne-kilometres	140,080	35,988	-74.3
Goods tonne-kilometres	68,711	34,038	-50.5
Total tonne-kilometres	208,790	70,026	-66.5
Hours flown	41	25	-39.4

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.

**Table 6**  
**Income statement – Second quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands of dollars		percent
<b>Operating revenues</b>			
Scheduled services	4,572,732	4,743,031	3.7
Passengers	4,355,559	4,514,421	3.6
Goods	217,173	228,610	5.3
Charter services	245,997	120,663	-50.9
Passengers	194,652	91,079	-53.2
Goods	51,345	29,585	-42.4
Other revenues (including subsidies)	278,287	332,810	19.6
Total operating revenues	5,097,016	5,196,504	2.0
<b>Operating expenses</b>			
Total operating expenses	4,737,096	4,689,759	-1.0
<b>Non-operating income (expenses)</b>			
Total non-operating income (expenses), net (including provision for income taxes)	-21,235	-21,652	2.0
<b>Net income (loss)</b>	<b>338,685</b>	<b>485,093</b>	<b>43.2</b>
<b>Employment expenses</b>			
Average number of employees <sup>1</sup>	50,201	50,176	0.0
Total wages and salaries paid	889,434	981,664	10.4

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.

**Table 7**  
**Operating statistics – Third quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands		percent
<b>All services</b>			
Number of carriers included <sup>1</sup>	25	25	0.0
Passengers	18,886	20,194	6.9
Goods carried (kilograms)	169,142	169,374	0.1
Passenger-kilometres	46,982,156	50,539,823	7.6
Passenger tonne-kilometres	4,698,216	5,053,982	7.6
Goods tonne-kilometres	593,170	570,252	-3.9
Total tonne-kilometres	5,291,385	5,624,234	6.3
Hours flown	636	665	4.5
<b>Scheduled services</b>			
Passengers	18,463	19,805	7.3
Goods carried (kilograms)	116,709	139,032	19.1
Passenger-kilometres	46,534,034	50,096,171	7.7
Available seat-kilometres	54,575,838	58,794,329	7.7
Passenger load factor (percent)	85.3	85.2	...
Passenger tonne-kilometres	4,653,403	5,009,617	7.7
Goods tonne-kilometres	527,482	525,895	-0.3
Total tonne-kilometres	5,180,885	5,535,512	6.8
Available tonne-kilometres	7,182,389	8,074,879	12.4
Weight load factor (percent)	72.1	68.6	...
Hours flown	599	636	6.2
<b>Charter services</b>			
Passengers	422	389	-7.8
Goods carried (kilograms)	52,433	30,342	-42.1
Passenger-kilometres	448,122	443,652	-1.0
Passenger tonne-kilometres	44,812	44,365	-1.0
Goods tonne-kilometres	65,688	44,357	-32.5
Total tonne-kilometres	110,500	88,722	-19.7
Hours flown	37	29	-21.8

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.



**Table 8**  
**Income statement – Third quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands of dollars		percent
<b>Operating revenues</b>			
Scheduled services	5,375,311	5,553,701	3.3
Passengers	5,158,313	5,328,557	3.3
Goods	216,998	225,143	3.8
Charter services	185,544	144,989	-21.9
Passengers	132,284	109,726	-17.1
Goods	53,259	35,263	-33.8
Other revenues (including subsidies)	314,135	393,541	25.3
Total operating revenues	5,874,989	6,092,231	3.7
<b>Operating expenses</b>			
Total operating expenses	4,992,582	4,934,996	-1.2
<b>Non-operating income (expenses)</b>			
Total non-operating income (expenses), net (including provision for income taxes)	-325,027	-454,584	39.9
<b>Net income (loss)</b>	<b>557,380</b>	<b>702,651</b>	<b>26.1</b>
<b>Employment expenses</b>			
Average number of employees <sup>1</sup>	49,209	49,535	0.7
Total wages and salaries paid	838,868	871,602	3.9

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.

**Table 9**  
**Operating statistics – Fourth quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands		percent
<b>All services</b>			
Number of carriers included <sup>1</sup>	25	25	0.0
Passengers	16,640	17,199	3.4
Goods carried (kilograms)	188,872	168,839	-10.6
Passenger-kilometres	37,045,448	38,746,748	4.6
Passenger tonne-kilometres	3,704,545	3,874,675	4.6
Goods tonne-kilometres	617,748	583,831	-5.5
Total tonne-kilometres	4,322,292	4,458,506	3.2
Hours flown	580	591	1.9
<b>Scheduled services</b>			
Passengers	16,215	16,857	4.0
Goods carried (kilograms)	130,566	132,408	1.4
Passenger-kilometres	36,420,386	38,297,434	5.2
Available seat-kilometres	45,532,529	48,232,168	5.9
Passenger load factor (percent)	80.0	79.4	...
Passenger tonne-kilometres	3,642,039	3,829,743	5.2
Goods tonne-kilometres	549,796	536,868	-2.4
Total tonne-kilometres	4,191,835	4,366,611	4.2
Available tonne-kilometres	5,975,240	6,518,878	9.1
Weight load factor (percent)	70.2	67.0	...
Hours flown	549	566	3.1
<b>Charter services</b>			
Passengers	424	342	-19.5
Goods carried (kilograms)	58,306	36,432	-37.5
Passenger-kilometres	625,062	449,313	-28.1
Passenger tonne-kilometres	62,506	44,931	-28.1
Goods tonne-kilometres	67,952	46,964	-30.9
Total tonne-kilometres	130,458	91,895	-29.6
Hours flown	31	25	-18.7

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.

**Table 10**  
**Income statement – Fourth quarter of 2014 and 2015**

	2014	2015	Change from 2014 to 2015
	thousands of dollars		percent
<b>Operating revenues</b>			
Scheduled services	4,383,060	4,357,800	-0.6
Passengers	4,134,753	4,100,567	-0.8
Goods	248,307	257,234	3.6
Charter services	179,258	147,346	-17.8
Passengers	125,022	103,914	-16.9
Goods	54,236	43,432	-19.9
Other revenues (including subsidies)	326,508	344,721	5.6
Total operating revenues	4,888,825	4,849,867	-0.8
<b>Operating expenses</b>			
Total operating expenses	4,673,394	4,561,939	-2.4
<b>Non-operating income (expenses)</b>			
Total non-operating income (expenses), net (including provision for income taxes)	-254,984	-365,526	43.4
<b>Net income (loss)</b>	<b>-39,553</b>	<b>-77,597</b>	<b>96.2</b>
<b>Employment expenses</b>			
Average number of employees <sup>1</sup>	49,724	50,643	1.8
Total wages and salaries paid	875,538	926,635	5.8

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.

Release date: March 2017

### 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 <sup>s</sup>	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 ( $p < 0.05$ )

### Acknowledgements

This publication was prepared by Lisa Di Piéto, Chantal Mollenthiel, Liz Mainwaring and Isabelle Thériault of the Aviation Statistics Centre (ASC) of the Environment, Energy and Transportation Statistics Division (EETSD) under the general direction of Kevin Roberts, Director, EETSD, Michael Scrim, Assistant Director, EETSD and Robert Larmour, Chief, ASC.

### To access this product

This product, Catalogue no. 51-004-X, is available free in electronic format. To obtain a single issue, visit our website, [www.statcan.gc.ca](http://www.statcan.gc.ca) and browse by "Key resource" > "Publications."

Frequency: Occasional / ISSN 1480-7483

For information on the wide range of data available from Statistics Canada, please call our national inquiries line at 1-800-263-1136.

Cette publication est également disponible en français.

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2017.

All rights reserved. Use of this publication is governed by the *Statistics Canada Open License Agreement*.

<http://www.statcan.gc.ca/reference/copyright-droit-auteur-eng.htm>

### Standards of service to the public

Statistics Canada is committed to serving its clients in a prompt, reliable and courteous manner. To this end, Statistics Canada has developed *standards of service* that its employees observe.

To obtain a copy of these service standards, please contact Statistics Canada toll-free at 1-800-263-1136. The service standards are also published on [www.statcan.gc.ca](http://www.statcan.gc.ca) under "Contact us" > "Standards of service to the public."

### Note of appreciation

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued cooperation and goodwill.