

15.5.2.1 Canada's international flag carriers

Air Canada, a Crown corporation incorporated in 1937 as Trans-Canada Air Lines, maintains passenger, mail and commodity services over a network of 89,000 route-miles, extending to 57 destinations in Canada, the United States, the British Isles, Europe and the Caribbean. After earning a record net profit of \$8.7 million in 1972, the company was adversely affected by world economic pressures, especially in the area of fuel, but continued to experience a stimulating growth rate through 1973, resulting in a net income of \$6.12 million. Air Canada carried 8.3 million revenue passengers in 1972 and over 10.0 million in 1973.

Available seat-miles on scheduled flights increased in 1973 to 14.4 billion compared with 12.2 billion in 1972. Revenue passenger-miles grew by 21.5% to 9.6 billion. Passenger load factor across the system was 67.0%, up from 65.0% in 1972. Total revenue ton-miles increased 22.6% to 1.3 billion. Air freight continued to show satisfactory growth, expanding by 9.9% to 245.2 million ton-miles.

Passenger revenues, which account for 82% of total revenues, amounted to \$568.9 million in 1973, up from \$475.7 million in 1972. Total revenues were \$698.0 million, compared with \$583.3 million in 1972. Operating expenses in 1973 climbed to \$651.7 million, compared with \$538.0 million the previous year.

Two DC-9-15s, two DC-9-32s (one of which is an all-freight aircraft), six Lockheed L-1011s and one Boeing 747 were added to the fleet during 1973. A DC-8 was purchased from Air Jamaica to replace an aircraft lost by fire at Toronto in June. At December 31 the fleet consisted of 107 aircraft: four Boeing 747s, six Lockheed L-1011s, 38 DC-8s, 51 DC-9s and eight Viscounts. Two L-1011s were operated from May through October under a 15-year lease agreement, which makes them available for the busy summer period until 1987.

Canadian Pacific Air Lines Limited (CP Air), a private airline, was established in 1942 by integrating 10 air carrier bushline companies and has since developed into a major international flag carrier. In 1973 CP Air carried 1.7 million revenue passengers and flew 3.1 billion passenger-miles. Operating revenues for the year reached \$185.9 million.

CP Air's network radiates from the company's headquarters in Vancouver to Japan, Hong Kong, the Netherlands, Hawaii, Fiji, Australia, Portugal, Spain, Italy, Greece, Israel, Mexico, Peru, Chile and Argentina. There are regular west coast flights between Vancouver and San Francisco. Service from Vancouver to Shanghai and Peking was scheduled to begin in the first half of 1974. In November 1973, the Minister of Transport announced certain revisions to the government's international aviation policy and, at the same time, designated CP Air to serve Milan, Italy. The policy statement confirmed CP Air's rights on the routes it now serves and gave it, in addition, the possibilities of serving North Africa, Iran, Brazil, and new destinations in the Pacific and the Far East where the airline's operations are important to Canada's relations with the developing nations. A new bilateral agreement signed in 1973 gave CP Air the right to serve new destinations in the United States. Within Canada CP Air's transcontinental services link Vancouver, Edmonton, Calgary, Winnipeg, Toronto, Ottawa and Montreal; the company also operates interior services in British Columbia and the Yukon Territory.

CP Air operates 24 aircraft: two Boeing 747s, 11 Douglas DC-8s, seven Boeing 737s and four Boeing 727s.

15.5.2.2 Regional airlines

Eastern Provincial Airways (1963) Limited is the regional carrier for the Atlantic Provinces. In 1973 it carried 538,990 revenue passengers about 216 million passenger-miles, and 5,163 tons of freight 2.5 million ton-miles. Operating revenues were \$21.2 million, 15% higher than 1972 revenues of \$18.5 million. Scheduled services were operated to Charlottetown, PEI; Moncton—Chatham—Charlo—Fredericton and Saint John, NB; Sydney and Halifax, NS; Deer Lake—Stephenville—Gander—St. John's and St. Anthony, Nfld.; Goose Bay—Wabush (Labrador City) and Churchill Falls in Labrador; and Montreal and the Magdalen Islands in Quebec.

The company's fleet at the end of 1973 consisted of five Boeing 737s, three Handley-Page Dart Heralds and one DC-3.

Nordair Ltée-Ltd., with its head office at Dorval, Que., was established in 1957 by the merger of Mont Laurier Aviation and Boreal Airways. Since its formation Nordair has expanded steadily and operates scheduled services in Quebec, Ontario and the Northwest Territories, as