

\$708.3 million in 1974, up from \$568.9 million in 1973. Total revenues were \$848.5 million, compared with \$698.0 million in 1973. Operating expenses in 1974 climbed to \$814.7 million, compared with \$651.7 million the previous year.

At December 31, 1974 the airline's fleet consisted of 106 aircraft: five Boeing 747s, 10 Lockheed L-1011s, 38 DC-8s, and 53 DC-9s. Two L-1011s were operated from May through October under a 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 1974 CP Air carried 2.2 million revenue passengers and flew 3.1 billion passenger-miles. Operating revenues for the year reached \$276.8 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 29 aircraft: four Boeing 747s, 12 Douglas DC-8s, seven Boeing 737s and six Boeing 727s.

15.5.2.2 Regional airlines

Eastern Provincial Airways (1963) Limited is the regional carrier for the Atlantic provinces. In 1974 it carried 593,636 revenue passengers 239 million passenger-miles, and 5,306 tons of freight 2.7 million ton-miles. Operating revenues were \$28.4 million, 34% higher than 1973 revenues of \$21.2 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 1974 consisted of six Boeing 737s, three Handley-Page Dart Herald 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 well as extensive domestic and international charter flights throughout Canada and from eastern Canada to the southern United States and the Caribbean.

Scheduled services operate between Montreal, Ottawa, Hamilton, Windsor and Pittsburgh. In 1974, 156,687 passengers were carried on these routes. Scheduled services are also operated between Montreal, Val-d'Or, Fort George, Matagami, La Grande, Chibougamau, Great Whale River and Fort Chimo, Que. and Frobisher Bay and Resolute Bay, NWT; 92,939 passengers and 7,702 tons of cargo were moved between these points in 1974. Nordair also maintains an extensive regular air service from Frobisher Bay, NWT, supplying numerous Arctic settlements in the Baffin Island area, such as Clyde River-Cape Christian, Broughton Island, Pangnirtung, Cape Dorset, Hall Beach and Igloolik. An application is before the Danish civil aviation authorities for permission to inaugurate regular air service between Frobisher Bay and Sondrestrom-Fjord in Greenland. This application already has the approval of the Canadian government.

Nordair's charter flights accommodate inclusive tour travels and group travel. Its northern charter operation is based at Frobisher Bay where a variety of aircraft, including wheel-, ski- and float-equipped aircraft, are available. Under contract Nordair also provides lateral air services between the DEW-line sites along the Arctic Coast and two specially