

Domestic air carriers, operating wholly within Canada, are divided into seven classes. Scheduled carriers provide public transportation of persons, goods or mail to designated points according to a service schedule, at a toll per unit. Regular specific point carriers, to the extent that facilities are available, provide public transportation to points according to a service pattern, at a toll per unit. Specific point carriers provide public transportation, serving points consistent with traffic requirements and operating conditions, at a toll per unit. Charter carriers offer public transportation from a base specified in the licence, at a toll per kilometre or per hour for the charter of the entire aircraft, or at such other tolls as may be permitted by the air transport committee. Contract carriers do not offer public transportation but carry persons or goods solely under contract. Flying clubs incorporated as non-profit organizations provide flying training and recreational flying. Specialty carriers operate for purposes not provided by other classes such as aerial photography and survey, aerial distribution (crop dusting, seeding), aerial inspection, reconnaissance and advertising, aerial control (fire control, fire-fighting, fog dispersal), aerial construction and air ambulance and mercy services.

International carriers, both Canadian and foreign, operate charter commercial air services between Canada and other countries.

Canada's international flag carriers

15.5.2.1

Air Canada, a Crown corporation incorporated in 1937 as Trans-Canada Air Lines, maintains passenger, mail and commodity services over a network extending to 59 destinations in Canada, the United States, Ireland, the British Isles, Europe, Bermuda and the Caribbean. In 1978, the airline made a transition provided by the Air Canada Act 1977 which modified its capital structure, bringing its balance sheet in line with industry ratios. A portion of long-term debt was refunded and equity shares were issued.

On the basis of Air Canada's 1978 tax deducted profit of \$47.5 million, the government paid Canadians a \$13.2 million dividend.

At December 31, 1978 the airline's fleet consisted of 104 aircraft: six Boeing 747s, 10 Lockheed L-1011s, 27 DC-8s, 15 Boeing 727s and 46 DC-9s. Two L-1011s were leased for the peak summer traffic periods only.

Canadian Pacific Air Lines Ltd. (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 1978 CP Air carried 3 million revenue passengers. Operating revenues for the year reached \$466 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, San Francisco and Los Angeles. 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, Alberta and Yukon. In early 1979 CP Air operated 24 aircraft: four Boeing 747s, 11 Douglas DC-8s, seven Boeing 737s and two Boeing 727s. On order in 1979 were four Douglas DC-10s (with options for two more) and three Boeing 737s (with options for one more). Service to Spain and Israel was temporarily suspended.

Regional airlines

15.5.2.2

Eastern Provincial Airways (1963) Ltd. is the regional carrier for the Atlantic provinces. In 1978 it carried 779,728 revenue passengers a total of 472 million revenue passenger-kilometres and attained 5.1 million freight tonne-kilometres. Operating revenues were \$51.6 million, 19% higher than 1977 revenues of \$43.3 million. Scheduled services were operated to Charlottetown, PEI; Moncton-Chatham-Charlo-Fredericton and Saint John, NB; Sydney and Halifax, NS; Deer Lake-Stephenville-Gander and St. John's, 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 1978 consisted of six Boeing 737s, and three Hawker-Siddeley 748s.