

In most cases, at least some degree of ownership was obtained by the major carriers. Air Canada has agreements with Air Nova (serving the Atlantic provinces), with Air Ontario, with Northwest Territorial and with Air BC. In Quebec, Air Canada was instrumental in forming its own feeder carrier, Air Alliance. Similarly, Canadian Airlines has agreements with Air Atlantic in the East, Inter Canadien in Quebec and Time Air in the West. In Ontario, it formed its own feeder airline, Canadian Partner.

These systems enable Air Canada and Canadian Airlines to compete more effectively on longer-haul domestic and international routes. At the same time, the regional feeders provide increased frequency of service to smaller urban centres with smaller state-of-the-art turbine driven propeller (turbo-prop) aircraft. Evidence of this development has been the increase in the share of traffic accounted for by turbo-prop aircraft at airports with air traffic control towers. They have increased their share of total landings and take-offs from 10% in 1980 to 20% in 1987.

Canadian charter airlines play a major role in the air transport industry. Of particular note are Nationair, based in Montreal and Worldways in Toronto. Both of these carriers operate large jet equipment and their services are primarily international, to Europe, the Caribbean and Mexico. With airline deregulation now in effect over the skies of Canada, several newly formed carriers are trying to gain a foothold in this market.

Opportunities have opened up for smaller airlines to expand their operations as a result of the withdrawal by the major airlines from shorter routes. While a limited number of smaller airlines have working agreements with the major carriers, the vast majority of the smaller airlines operate independently. In 1987, there were 103 such carriers providing scheduled services, up from 77 in 1984. A further 634 provided only charter services, compared to 497 in 1984.

Important operators of connector and local services not affiliated with major carriers include: First Air, based in Ottawa; City Express, based in Toronto; Northland Air Manitoba, based in Winnipeg; Calm Air, based in Thompson, Man. and Trans-Provincial, based in Prince Rupert, BC.

13.2.3 Air transport statistics

Collection and processing of data filed under the National Transportation Act and the Statistics Act by air carriers, and administrative data on aircraft movements at Transport Canada and specified other airports, are the responsibility of the Aviation Statistics Centre, a section of the

Transportation Division of Statistics Canada. The Centre is located within the National Transportation Agency (NTA) to meet the internal information needs of both Transport Canada and the NTA. In addition, the Centre conducts Statistics Canada's air statistics publication program, including the following data.

Air carrier statistics. Since 1955, the overall trend in the number of passengers has been one of upward growth. Canadian carriers took on just under 3 million passengers in 1955, a figure which had increased to almost 32 million by 1987. Notable growth periods span the 1960s and the 1970s. The one major exception came in the 1981 to 1983 period when the economy suffered a slowdown.

In 1955, total operating revenues generated by the carriers amounted to approximately \$153 million. In 1987, revenues totalled about \$6.3 billion, a 41-fold increase over the 32 years. The total operating expenses from 1955 to 1987 have followed approximately the same growth curve as the operating revenues, although almost consistently they have been lower than the operating revenues.

There have been some exceptions to this pattern of steady upward growth. In 1983, as Canada and the world community experienced an economic slowdown, both operating costs and revenues stagnated from the previous year. The loss amounted to approximately \$14 million. In 1984, the industry again returned to profitability with a recorded net income of \$80 million. Although the net income in 1985 was only \$4 million, it increased to \$88 million in 1986. When operating revenues peaked at \$6.3 billion in 1987, net income was estimated at a record \$165 million.

Airport statistics. Of the approximately 2,200 aerodromes in Canada in 1987, 1,221 held operating licences from Transport Canada which operated 144. These include such major airports as Lester B. Pearson (Toronto International), Vancouver, Calgary and Montreal, as well as both large and small airports at scattered locations across the country and extending far into the Arctic. Municipalities and other organizations operate the remainder of the airports. Municipal airports served by scheduled air services are eligible for an operating subsidy from the department, which also provides capital grants to help in the construction of smaller community airports.

From 1964 to 1980, itinerant aircraft movements increased steadily at major airports with air traffic control towers, from just under 1 million to 3.7 million. The average annual increase over these years was 8.8%.