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TRANS-  
CANADA  
AIR LINES

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1950 *Annual Report*



*Trans-Canada  
Air Lines*

*Trans-Canada  
Air Lines  
(Atlantic) Limited*

Annual Report

*For the year ended December thirty-first*

1950



## BOARD OF DIRECTORS

### *Elected by Shareholders:*

WILFRID GAGNON..... Montreal  
DONALD GORDON..... Montreal  
J. A. NORTHEY..... Toronto  
H. J. SYMINGTON, K.C..... Montreal

### *Appointed by Governor-in-Council:*

C. P. EDWARDS..... Ottawa  
R. A. C. HENRY..... Montreal  
G. R. MCGREGOR..... Montreal

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## OFFICERS

*President*..... G. R. MCGREGOR, Montreal  
*Vice-President, Operations*..... W. F. ENGLISH, Montreal  
*Vice-President, Traffic*..... A. C. MCKIM, Montreal

*Secretary*  
D. I. GRANT  
Montreal

*Comptroller*  
T. H. COOPER  
Montreal

*Treasurer*  
C. D. COWIE  
Montreal

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### EXECUTIVE OFFICES:

INTERNATIONAL AVIATION BUILDING, MONTREAL, QUEBEC



## TRANS-CANADA AIR LINES

Montreal, February 28, 1951.

To the Right Honourable,  
the Minister of Trade and Commerce, Ottawa.

Sir:

The Board of Directors submit the consolidated Reports of the Trans-Canada Air Lines domestic and overseas services for the calendar year 1950.

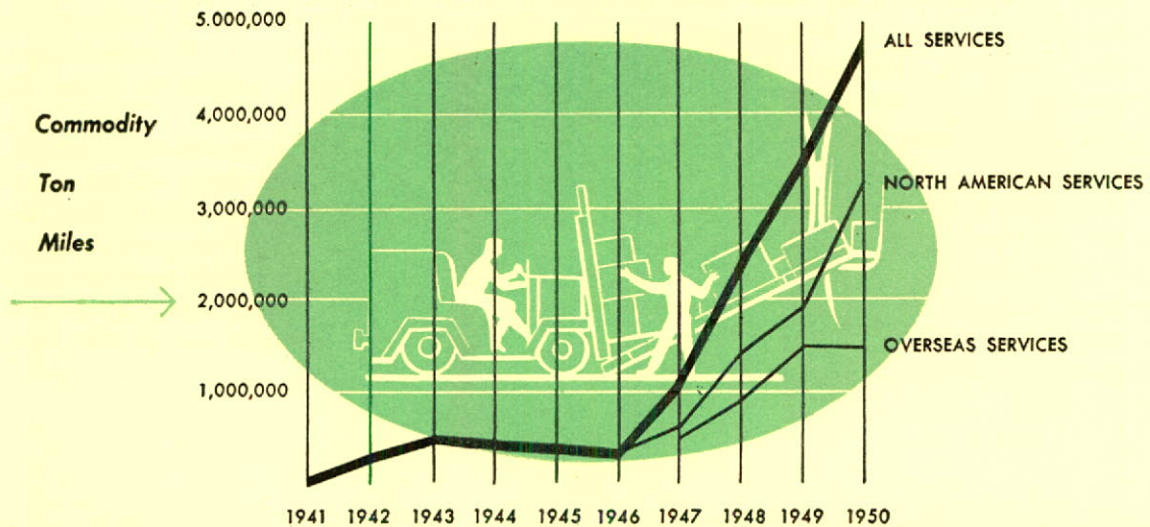
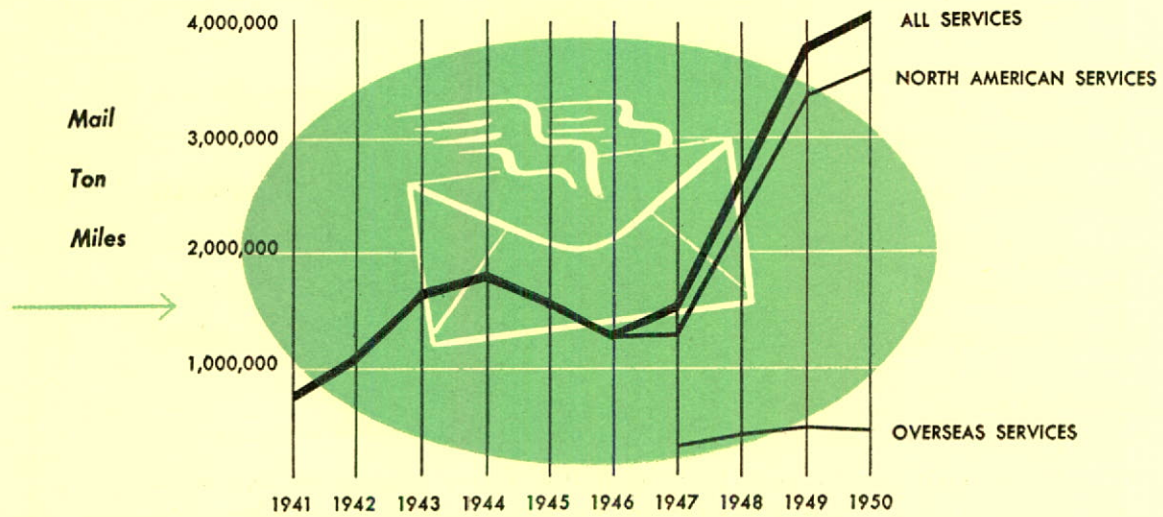
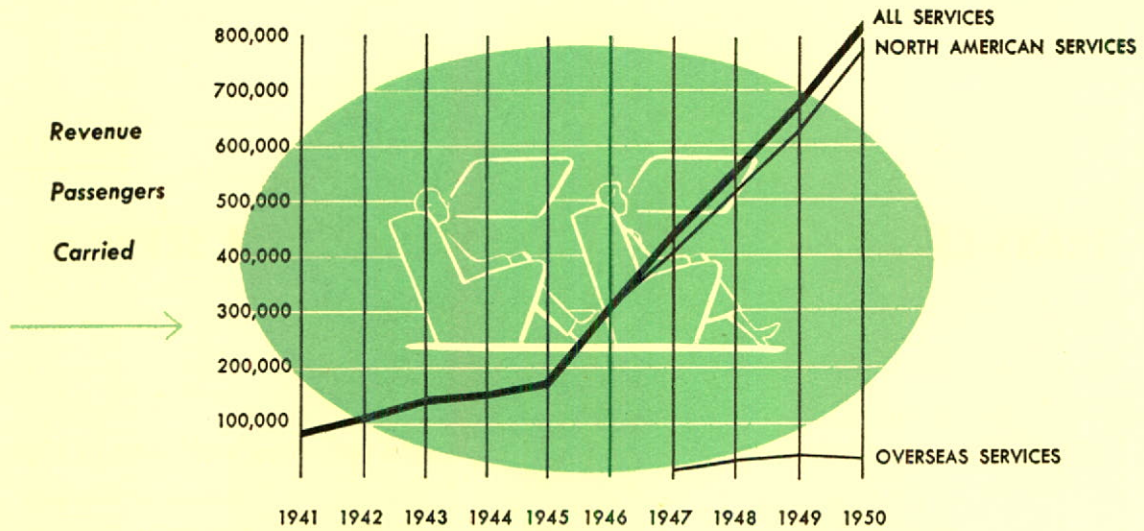
The system as a whole during this period not only provided the greatest amount of air transportation in its history but also achieved a much improved financial position.

It is gratifying to report a surplus for North American operations and a reduced deficit for overseas operations, approximately half that of 1949. These were the results of a general increase in patronage coupled with an improvement in operating efficiency.

The total revenue mileage flown by the Company increased by 6% over 1949, with 5% fewer employees and with a fleet that remained unchanged in size.

TCA's 20 North Stars and 27 DC-3's performed well, again proving themselves a well-balanced and efficient group of aircraft.

# TEN YEARS OF T.C.A. GROWTH—1941-1950 (All Services)





DETAIL

**TRANS-CANADA AIR LINES - NORTH AMERICAN SERVICES**  
**FINANCIAL REVIEW**

There follows a tabulation of the 1950 operating results compared with those of 1949:

	1950	1949	Increase or Decrease	
			Amount	Per Cent
Operating Revenues.....	\$31,810,684	\$26,523,969	\$5,286,715	20
Operating Expenses Excluding Depreciation.....	28,365,271	24,605,301	3,759,970	15
Surplus of Revenues over Operating Expenses before Depreciation and Interest.....	\$ 3,445,413	\$ 1,918,668		
Depreciation.....	2,751,109	2,867,427	<b>116,318</b>	<b>4</b>
Operating Profit or <i>Loss</i> after Depreciation.....	\$ 694,304	\$ 948,759		
Interest on Capital Invested.....	493,098	470,685	22,413	5
Surplus or <i>Deficit</i> .....	<u>\$ 201,206</u>	<u>\$ 1,419,444</u>		

Passenger revenue totalled \$24,183,501, increasing by \$4,723,106 or 24%. Commodity revenues rose by \$467,452, an increase of 46%. Revenue from Sales and Services increased by \$44,731 or 11%. Other revenues increased by \$51,426. Passenger revenue contributed 76% of the total, mail revenue 17% and commodity revenue 5%.

The year's higher operating expenses were due principally to the continued development and expansion of the Company's services. Revenue miles flown increased by 14%, and this, of course, involved additional charges for aircraft

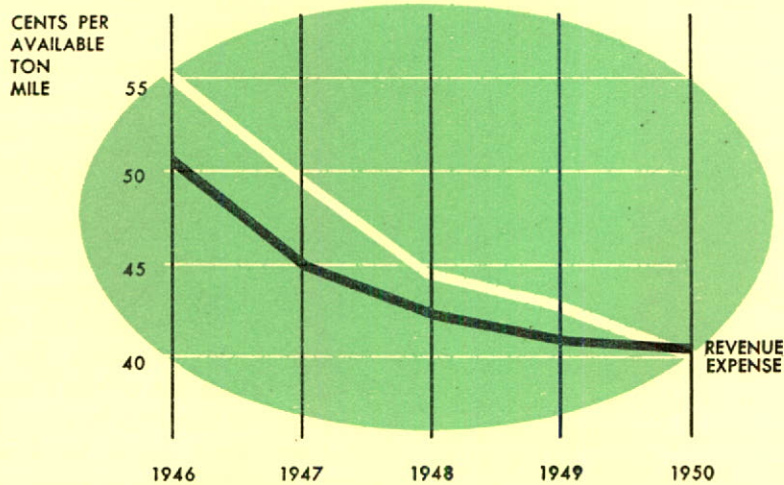
maintenance, gasoline consumption, passenger handling and many other related items.

The continued trend towards higher wage and price levels was also reflected in the Company's accounts. Payroll chargeable to operating expenses rose by \$1,250,838.

In spite of these circumstances, however, the increase in productivity of both personnel and equipment was such that the unit cost of providing transport dropped by 7%. Cost control policies were enforced and there was a continuing awareness throughout the organization of the need for economies.



**OPERATING EXPENSES AND OPERATING REVENUE  
PER AVAILABLE TON MILE—NORTH AMERICAN SERVICE 1946-50**



**OPERATIONS AND TRAFFIC REVIEW**

Traffic moving on TCA's services in 1950 was of record proportions in all categories.

	1950	1949	Per Cent Increase
Revenue Miles Flown.....	18,648,390	16,364,733	14
Revenue Passengers Carried.....	790,808	648,574	22
Mail Ton Miles.....	3,644,752	3,403,810	7
Aircargo Ton Miles.....	2,319,712	1,053,996	120
Air Express Ton Miles.....	998,479	884,112	13
Revenue Passenger Miles.....	379,605,810	310,699,767	22
Available Seat Miles.....	548,850,808	459,842,123	19
Available Ton Miles.....	77,369,710	63,449,171	22
Revenue Ton Miles.....	44,258,785	35,843,949	23

**Service Development**

Growth of air service took the form of increased flight frequency on existing routes, rather than geographic expansion of operations.

The inauguration of TCA service be-

tween Montreal and New York on April 1 was the only exception to that general rule. This constituted an important addition to TCA's route structure, completing, with the Toronto services, a triangular pattern of considerable economic significance. Initial





scheduling called for three daily flights with North Star equipment. Early loads have been satisfactory and there is every reason to expect that this Canadian operation between the two largest cities of their respective countries will prove a national asset.

From mid-May until September, a fourth daily transcontinental North Star service was operated between Toronto and Vancouver to cope with summer travel requirements.

### ***Passenger Traffic***

Passenger traffic continued to be the dominant source of Company revenues, with the popularity of air travel gaining further momentum throughout the year. In the past five years, the volume of TCA's North American passenger business has risen by 332%.

Giving powerful impetus to this wider acceptance were a growing reputation for schedule reliability, the absence of any increase in the price of air transport and a programme of promotional activity which brought more forcibly to the attention of Canadians the air services now available to them.

Particularly gratifying in 1950 was the unmistakable trend away from major fluctuations in seasonal air travel. Although considerable variation still existed between summer and winter loads, there was a decided increase in traffic volume during the low months. October passenger traffic was only 5% less than that of September as compared with an 11% decrease in the same two months of 1949. November and December figures gave similar results. Here credit is due to the high level of operating performance throughout the year that did much to allay the not uncommon doubt of air transportation's ability to maintain scheduled service in the winter period. To counter such impressions, the Company was able in 1950 to point to 97% of sche-

duled mileage completed and the dispatching on schedule of 85% of all flights.

There was no increase in the cost of air transportation to the public, airline tariffs remaining a notable exception to the general rule of rising prices. No major fare changes occurred, and what minor adjustments there were took a generally downward direction. Seasonal excursion fares were introduced on the Prairie DC-3 services, between Ottawa, Montreal and New York and between Victoria and Seattle. Reductions of standard fares took place on several Eastern Canadian routes. On October 1, the Family Fare plan was reintroduced and a special discount made available for convention travel. Revaluation of the Canadian dollar in September resulted in some decreases in Canadian fund fares to United States points, but had the opposite effect upon some northbound passenger traffic originating in the United States.

The national railway strike presented TCA with the opportunity of introducing thousands of persons to air travel for the first time and it has since become apparent that many of these enforced "first fliers" continued to use air services.

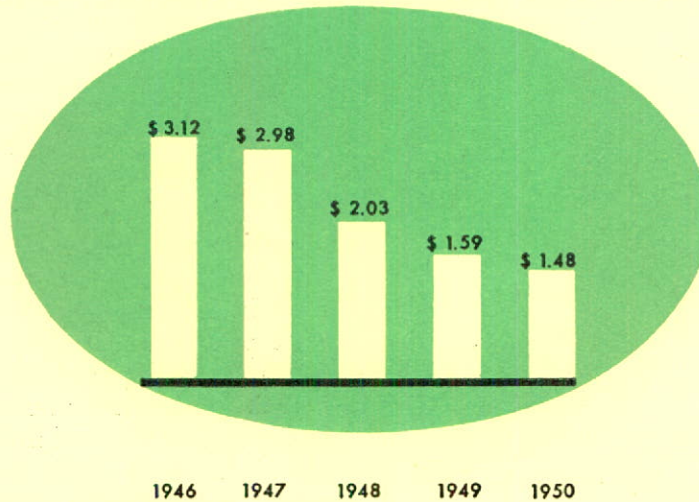
### ***Mail Traffic***

TCA continued the general carriage of first-class mail. Its volume would have been greater than in 1949 in any case, but the major demand put upon the airline by the rail strike resulted in a 7% increase in aggregate load.

Throughout the year, the Company received mail pay on the basis of the interim agreement reached with the Post Office Department at the time of the introduction of the "all-up" service in 1948. This called for a fixed monthly payment of \$450,000. But towards the end of 1950 there were indications that it would be possible to negotiate a mail contract having as its essential features a sliding scale of payments based upon increasing mail volume



### MAIL PAY PER MAIL TON MILE, 1946-1950 (North American Services)



and very substantial reductions in payment by the Post Office per ton mile of mail carried.

#### **Commodity Traffic**

Although the volume of air express and cargo traffic continued to be small in comparison to that of passengers and mail, a further healthy growth was recorded. Air express and aircargo rates were also free of increases and with surface transport tariffs on the rise, the airline's competitive position was improved.

Company research into specialized marketing problems, including lightweight packaging techniques, did much to stimulate use of its shipping services.

#### **Routes**

At December 31, 1950, Trans-Canada Air Lines was providing service for passenger, mail and commodity traffic over nationwide routes totalling 8,362 miles.

This was an increase of 277 miles or 3% over 1949. The route map on pages 12 and 13 illustrates the geographic scope of the Company's operations.

#### **Airway Facilities**

The co-operative relationship between the Department of Transport and TCA continued to encourage an orderly development of Canada's civil aviation facilities, although curtailment of Departmental appropriations for this purpose made necessary the postponement of a number of airway and airport projects.

Important runway extensions took place at Toronto and Sydney and instrument landing equipment was installed at several more points. These undertakings had the effect of simplifying airline operations.

The city of Vancouver constructed an interim airport administration building, adequate for present needs, to replace the previous structure destroyed by fire.



**DETAIL**

**TRANS-CANADA AIR LINES (ATLANTIC) LIMITED**

**FINANCIAL REVIEW**

The following is a tabulation of the year's financial results for the North Atlantic, Caribbean and Bermuda services and a comparison with 1949:

	1950	1949	Decrease Amount	Per Cent
Operating Revenues.....	\$8,344,815	\$10,222,387	\$1,877,572	18
Operating Expenses Excluding Depreciation.....	8,590,496	11,602,386	3,011,890	26
<i>Deficit</i> of Revenues to Operating Ex- penses before Depreciation and Interest.....	\$ 245,681	\$ 1,379,999		
Depreciation.....	1,023,829	1,227,369	203,540	17
Operating <i>Loss</i> after Depreciation....	\$1,269,510	\$ 2,607,368		
Interest on Capital Invested.....	256,902	290,781	33,879	12
<i>Deficit</i> .....	<u>\$1,526,412</u>	<u>\$ 2,898,149</u>		

Of the \$1,526,412 net deficit, the North Atlantic services were responsible for only \$275,922.

Passenger traffic on scheduled operations accounted for revenue of \$6,027,010, decreasing by \$1,068,677 or 15%. Mail revenue totalled \$1,177,428. Commodity revenues amounted to \$822,331, an increase of \$30,087 or 4%. Revenue from Sales and Services decreased by \$43,367 or 20%. Revenue from charter services fell from \$878,842 in 1949 to \$98,093 in 1950, a decline of 89%, resulting from discontinuation of the immigrant air charter plan in March of the previous year. Passenger revenue contributed 72% of the total, mail revenue 14% and commodity revenue 10%.

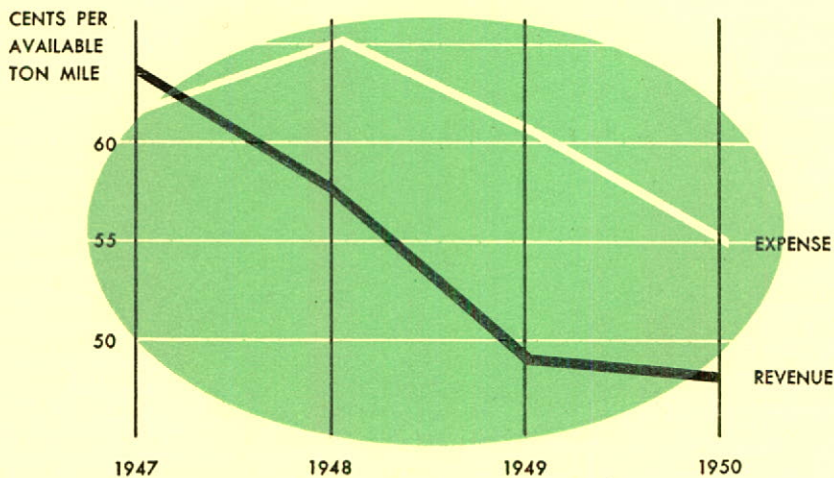
Fare reductions for off-season and excursion travel lowered the average revenue per passenger from \$212 in 1949 to \$187 in 1950.

Increased competition on the North Atlantic route left its mark upon passenger revenues. In 1950, British Overseas Airways Corporation intensified service to a considerable extent, while KLM, Air France, and a charter operator were licensed to operate between Montreal and Continental Europe. TCA carried the major portion of overseas traffic but the share was smaller than in 1949.

Although Caribbean and Bermuda traffic showed some growth, this result was achieved in spite of increasingly severe



### OPERATING EXPENSE AND OPERATING REVENUE PER AVAILABLE TON MILE—OVERSEAS SERVICES 1947-50



travel restrictions applied by the Caribbean authorities upon the Canadian carrier.

In spite of these factors, the Company was able to effect a considerable improvement in its net financial results. The

situation on the North Atlantic justified some reduction in overseas flight frequency, particularly as it was possible to transfer aircraft and crews advantageously to expanded domestic operations.

### OPERATIONS AND TRAFFIC REVIEW

A comparison of TCA's combined North Atlantic, Caribbean and Bermuda flying in 1950 and 1949 follows:

	1950	1949	Per Cent Decrease
Revenue Miles Flown . . . . .	3,190,965	4,158,523	23
Revenue Passengers Carried . . . . .	32,701	36,512	10
Mail Ton Miles . . . . .	394,339	404,903	3
Commodity Ton Miles . . . . .	1,521,995	1,577,987	4
Revenue Passenger Miles . . . . .	74,472,299	95,711,824	22
Available Seat Miles . . . . .	115,999,064	149,858,970	23
Available Ton Miles . . . . .	17,225,760	20,759,697	17
Revenue Ton Miles . . . . .	10,575,483	13,071,361	19



### Service Development

TCA's summer schedule between Canada and the British Isles called for a daily round flight, with second sections being operated when needed. This frequency was cut back to some extent during the winter season. The North Atlantic was crossed 656 times in scheduled and non-scheduled service as compared with 996 times in the previous year. Peak scheduling in 1949 called for two daily round flights.

On the other hand, there were moderate seasonal increases in Caribbean and Bermuda operations.

The Company began the first direct air service between Canada and the Southern United States on April 2, when Tampa, Florida was included in the Caribbean flight schedule. This called for little additional flying, but threw open a considerable vacation travel potential between Canada, Florida and the British West Indies.

### Passenger Traffic

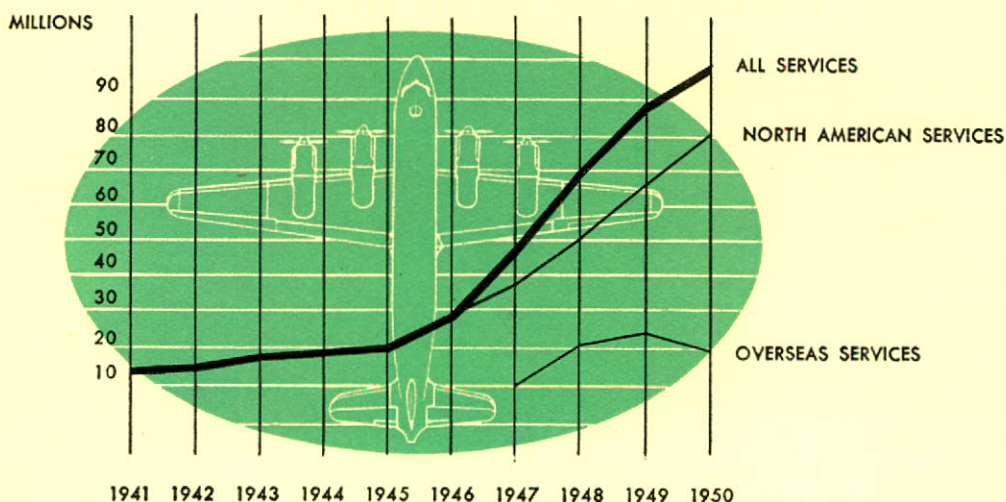
The airline carried 17,340 passengers on scheduled North Atlantic services during 1950, as compared with 21,872 in the previous year. Passengers on the southern services numbered 14,952, an increase of 3,409.

In the interests of reducing seasonal fluctuation of trans-Atlantic traffic, TCA and the other international operators introduced an off and on season passenger tariff schedule that provides a combination of return fares varying with the actual season of travel. 15-day summer excursion fares were offered on the Caribbean services and 30-day excursion fares to Bermuda.

On November 1, there was a general industry increase in North Atlantic passenger fares, but in the case of TCA this was largely absorbed later by the tariff adjustments that followed revaluation of the Canadian dollar.

Much of the North Atlantic traffic that might have been expected from the Holy

### TON MILES OF AIR TRANSPORTATION MADE AVAILABLE 1941-1950





FAIRBANKS

WHITEHORSE

EDMONTON

VICTORIA

CALGARY

SASKATON

VANCOUVER

YORKTON

SEATTLE

LETHBRIDGE

WINNIPEG

SPOKANE

MEDICINE HAT

PT. ARTHUR

BUTTE

SWIFT CURRENT

REGINA

BRANDON

FARGO

PORTLAND

BILLINGS

SAULT STE. MARIE

SALT LAKE CITY

OMAHA

MINNEAPOLIS

DENVER

CHICAGO

TORONTO

KANSAS CITY

ST. LOUIS

DETROIT

LOS ANGELES

MEMPHIS

WINDSOR

DEL PASO

ATLANTA

CLEVELAND

MONTEREY

NEW ORLEANS

CINCINNATI

MEXICO CITY

TAMPA

MONTREAL

MERIDA

MIAAMI

OTTAWA

GUATEMALA

PORT WILHELM

NORTH BAY

KAPUSKASING

PORQUIS

JACKSON



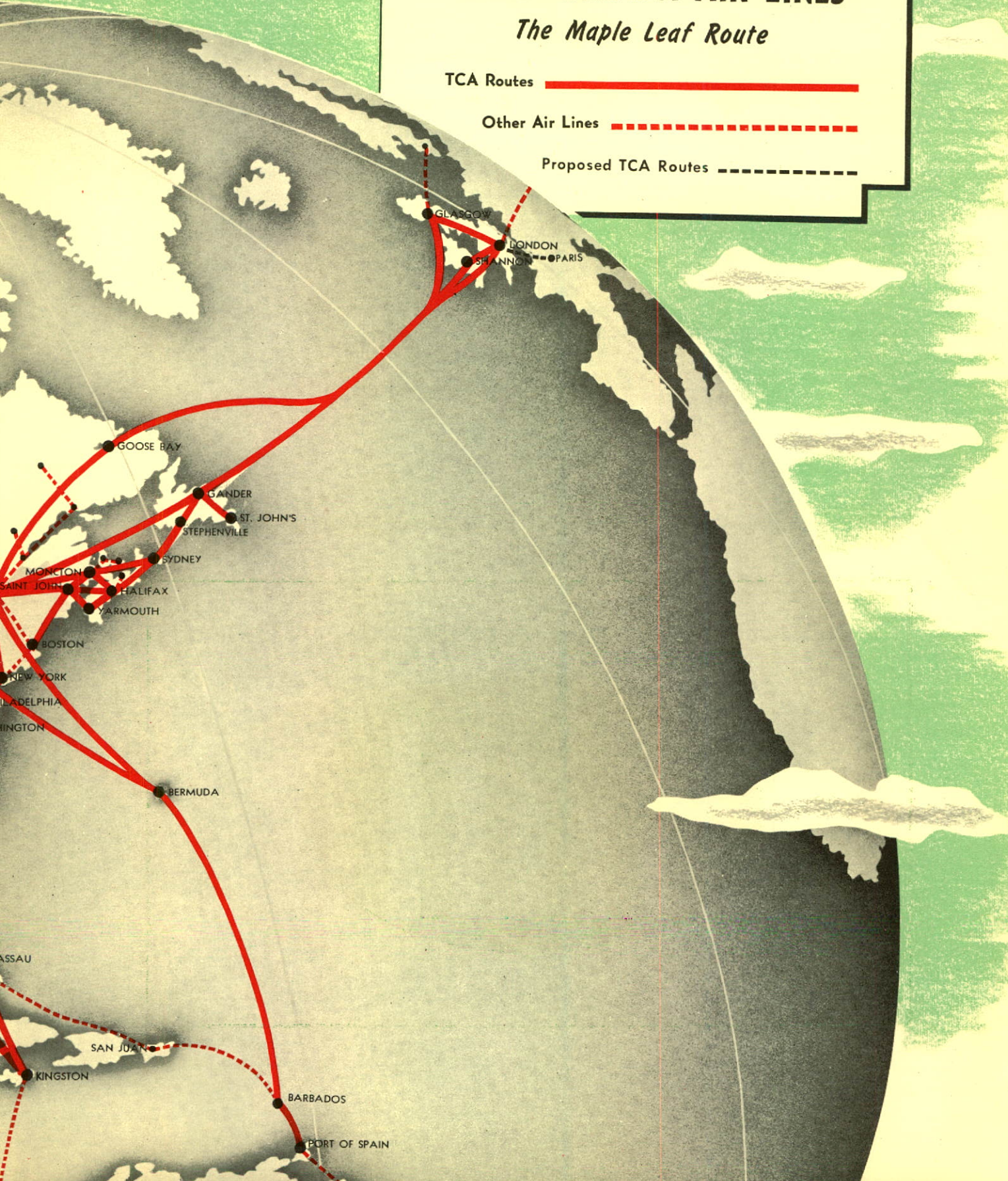
# TRANS-CANADA AIR LINES

*The Maple Leaf Route*

TCA Routes 

Other Air Lines 

Proposed TCA Routes 





Year observances in Rome was taken by the non-scheduled operators.

In December, the Company entered into an agreement with the Canadian Government for air transport of immigrants from the United Kingdom and Continental Europe. Under its terms, an immigrant may fly from London, Prestwick or Shannon to Montreal or points east of Montreal at a reduced price, the balance of the normal one-way fare being paid by the Government to the airline. This had no effect upon TCA revenues in 1950, but showed some promise of strengthening westbound loads in early 1951. The agreement is valid until March 31, when it becomes subject to review. TCA offices overseas are co-operating fully with the Department of Citizenship and Immigration in the stimulation of immigrant travel.

### **Mail Traffic**

The volume of North Atlantic mail remained virtually unchanged. It continued

to be the case that TCA was given little of this traffic on the southern services.

### **Commodity Traffic**

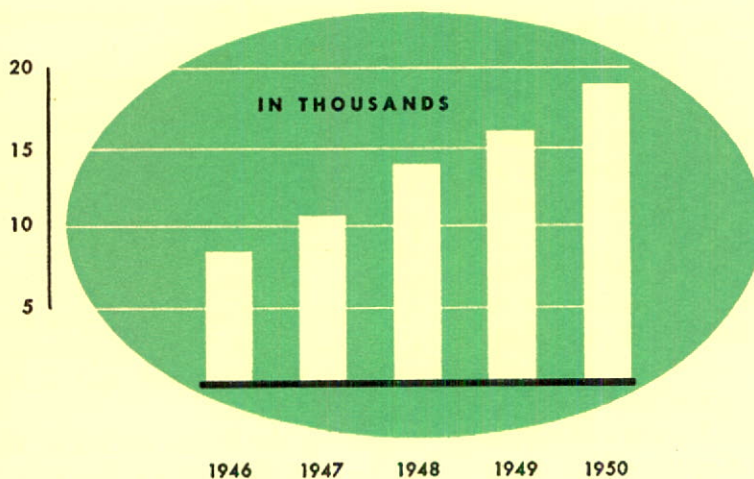
North Atlantic cargo traffic was on much the same scale as in 1949. With fewer flights scheduled, however, individual loads tended to be considerably greater and many westbound operations took place with capacity cargo.

In spite of Caribbean trade restrictions, the volume of aircargo on the southern services increased by 65%. This, however, was a mere fraction of what could be achieved under normal commercial conditions.

### **Routes**

TCA's overseas routes now total 8,477 miles, touching at England, Scotland, Ireland, Bermuda, the Bahamas, Jamaica, Barbados and Trinidad.

**AVAILABLE TON MILES PRODUCED PER EMPLOYEE 1946-50 (All Services)**







## GENERAL

### *Balance Sheet*

There was evident a continued improvement in TCA's financial position during 1950. Working Capital was ample and the investment in Property and Equipment remained constant at \$30,000,000 in spite of the expansion in traffic.

The Company's self-insurance fund increased by \$419,233 during the year and now totals \$4,078,941. Extending the policy established in 1949, accruals for hull, passenger and public liability insurance were suspended in the North American services as the income from the fund's investments was sufficient to maintain the reserve at slightly in excess of the desired level of \$3,000,000.

The aircraft major overhaul reserve, established in 1949, was increased to \$860,000 to provide for the anticipated expense of the overhaul programme.

Depreciation funds in excess of Capital requirements increased by \$5,000,000 and periodically throughout the year the surplus was employed to purchase securities. At December 31, investments amounted to \$4,500,000 in CNR 2 $\frac{7}{8}$ % bonds and \$1,500,000 in 3% Provincial bonds.

### *Personnel*

The airline's work was done with a more compact staff than in 1949. Personnel at December 31 numbered 4,904, as compared with 5,137 a year previously.

Completion of aircraft overhaul projects resulted in some necessary reductions in engineering and maintenance establishments.

TCA continued to grow in experience and it is indicative that by the end of the year almost all TCA Captains had flown more than 1,000,000 miles in commercial air service.

### *Property and Equipment*

During the year, the programme of major overhaul of the Company's DC-3 fleet was completed. Several important modifications were made to the North Stars, including the installation of an improved cabin pressurization system. As a result, aircraft performance exceeded even the fine record of 1949.

The North Stars assigned to the overseas operations provided a service that compared more than favourably in regularity and dependability with those of the Company's competitors. The most outstanding demonstration of performance occurred in October, when 30 of the 31 eastbound flights on the 3,000 mile North Atlantic route arrived at destination on or ahead of schedule.

The Company was able to restrict its expenditures for ground facilities to a very small aggregate amount, considering the size of the enterprise. A hangar building was purchased at Vancouver and a new and better-equipped Montreal Ticket Office opened in the International Aviation Building, but other than this there were no changes of major consequence.

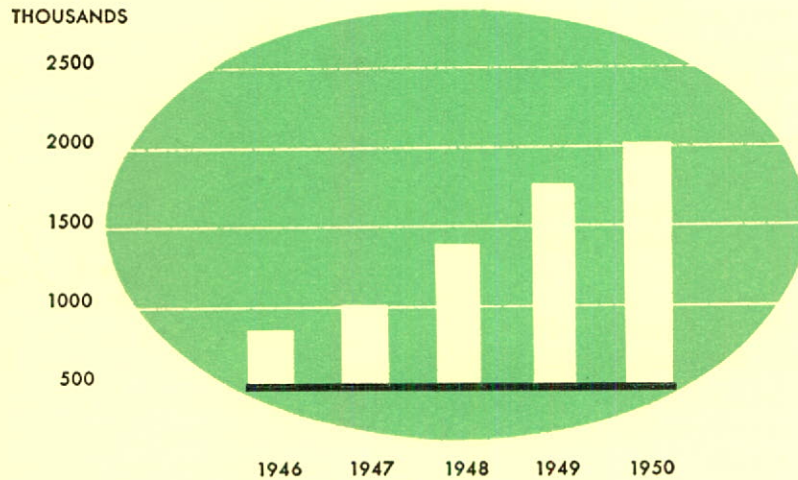
### *Emergency Transport Services*

Conditions created in Manitoba by the serious flooding of the Red River required a large amount of emergency TCA transportation. From May 8 to May 13 the airline operated, in addition to its regular service, approximately 40 special round trip flights between Winnipeg and Eastern Canada. Over 500,000 pounds of relief supplies were carried and 2,500 persons were evacuated.

During the 9-day period of the railway strike, 125,000 extra miles were flown for the movement of essential mainline traffic. Although this represented a 25% increase



### AVAILABLE TON MILES PER AIRCRAFT 1946-1950 (All Services)



over the normal daily schedule, the operational expansion was accomplished efficiently and flights in general remained close to schedule. Personnel worked 20,000 hours of overtime and it was due to their willing and effective support that the Company was able to discharge its responsibilities, both on this occasion and at the time of the flood. The heavy cost of providing the emergency services minimized any financial advantage to the airline.

Such demonstrations of TCA's ability to meet essential transportation needs under conditions of national crisis are naturally a source of gratification to the Company.

#### ***Flight Equipment***

Although the existing TCA fleet was fully adequate in 1950, and continues to meet requirements, the airline remains alert to contemporary design trends. The

technical staff is thoroughly conversant with current developments in the field of aircraft propulsion and when the time comes for fleet re-equipment, the airline will be in a position to make a reasoned choice. That step will not be taken until Management is in the possession of the fullest operational and cost data and few, if any, manufacturers today are able to provide such comprehensive information regarding new aircraft types.

#### ***The Air Transport Prospect***

In April, the North Atlantic service will be extended to include Paris, but no other major route additions are at present foreseen.

The improvement of the past year's financial results will, it is believed, continue to be apparent in 1951. Due regard must, however, be taken of the general rise in wages and prices and of the existence



of many artificial barriers to international trade and travel.

Fortunately, the airline is well fortified with both human and material resources. Higher revenues will almost certainly be attained and the most careful control of expenses will be exerted.

TCA will continue to provide air transportation at the lowest possible price consistent with the maintenance of its standards. It will endeavour to widen its markets and increase the scope and value of the enterprise to Canada and Canadians.

### ***Appreciation***

The success of the Company in 1950, both operational and financial, could not

have occurred without the service loyally given by staff. The ability and team work of TCA personnel continued to be deserving of high praise and the airline can take satisfaction in the quality of its working force. For the splendid support of employees the Board of Directors once again extend sincere appreciation.

For the Directors,

*GR Mc Gregor*

President.



## CONSOLIDATED BALANCE SHEET

### ASSETS

#### CURRENT ASSETS:

Cash . . . . .	\$ 2,969,096.54	
Working Fund Advances . . . . .	11,402.50	
Temporary Cash Investments at cost . . . . .	6,000,935.00	
Special Deposits . . . . .	8,133.99	
Accounts Receivable . . . . .	2,719,128.13	
Traffic Balances Receivable from Other Carriers . . . . .	910,205.85	
Balances Receivable from Agents . . . . .	462,407.89	
Government of Canada—balance of deficit . . . . .	95,050.63	
Material and Supplies . . . . .	1,706,119.23	
Interest Receivable . . . . .	59,213.71	\$14,941,693.47

#### DEFERRED CHARGES:

Prepayments . . . . .	\$ 33,993.74	
Other Deferred Charges . . . . .	26,548.45	60,542.19

INSURANCE FUND . . . . . 4,078,941.20

INVESTMENTS IN JOINT ASSOCIATIONS . . . . . 20,575.73

#### CAPITAL ASSETS:

Property and Equipment . . . . .	\$30,126,909.42	
Less Accrued Depreciation . . . . .	13,444,746.71	16,682,162.71
		<u>\$35,783,915.30</u>

#### CERTIFICATE

We have examined the books and records of the Trans-Canada Air Lines and certify that, in our opinion, the above Consolidated Balance Sheet is a true and correct statement of the assets and liabilities of the Air Lines as at the 31st. December, 1950, and that the relative Income Statement is a true and correct statement of the income of the Air Lines as stated. We are reporting to Parliament in respect of our annual audit.

28th. February, 1951.



31st. DECEMBER, 1950

### LIABILITIES

#### CURRENT LIABILITIES:

Audited Accounts Payable.....	\$ 885,113.09	
Accrued Accounts Payable.....	1,385,661.84	
Traffic Balances Payable to Other Carriers.....	1,021,023.20	
Air Travel Plan Deposits.....	760,325.00	
Salaries and Wages.....	684,986.87	
Prepaid Transportation.....	1,068,125.78	
Other Current Liabilities.....	38,973.94	\$ 5,844,209.72

#### RESERVES:

Insurance.....	\$ 4,078,941.20	
Overhaul.....	860,764.38	4,939,705.58

#### CAPITAL STOCK:

Common Stock—fully paid.....		25,000,000.00
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#### PROFIT AND LOSS:

Atlantic Services— <i>Deficit</i> Year 1950.....	\$ 1,526,411.56	
North American Services— <i>Surplus</i> Year 1950.....	201,205.93	
	<u>\$ 1,325,205.63</u>	
Charged to Government of Canada.....	1,325,205.63	—
		<u>\$35,783,915.30</u>

T. H. COOPER,  
Comptroller.

#### AUDITORS

and its Subsidiary Company for the year ended the 31st. December, 1950.  
properly drawn up so as to exhibit a true and correct view of the affairs of  
accounts for the year ended the 31st. December, 1950, are correctly

GEORGE A. TOUCHE & CO.,  
Chartered Accountants.



## INCOME ACCOUNTS

North American Services		Atlantic Services	
Year 1950	Year 1949	Year 1950	Year 1949
<b>OPERATING REVENUES:</b>			
\$24,183,500.60	\$19,460,394.52	\$ 6,027,009.91	\$ 7,095,687.04
5,400,000.00	5,400,000.00	1,177,427.84	1,178,653.41
1,473,254.68	1,005,803.36	822,331.21	792,243.28
194,573.17	155,809.07	41,463.33	55,017.83
118,920.64	106,257.92	98,355.40	879,190.82
440,435.21	395,704.38	178,227.04	221,594.24
<u>\$31,810,684.30</u>	<u>\$26,523,969.25</u>	<u>\$ 8,344,814.73</u>	<u>\$10,222,386.62</u>
<b>OPERATING EXPENSES—EXCLUDING DEPRECIATION:</b>			
\$ 6,846,268.62	\$ 6,334,459.95	\$ 2,161,772.70	\$ 3,022,061.39
6,205,210.36	4,583,226.35	1,505,597.33	2,113,024.54
4,443,179.64	4,158,908.72	1,503,933.31	1,848,764.77
3,558,917.03	3,260,681.07	1,289,333.39	1,796,806.08
1,620,623.64	1,508,178.15	432,382.97	603,875.22
3,324,217.30	2,769,949.30	907,764.58	1,184,296.65
929,195.35	586,719.39	253,742.60	250,842.09
1,639,892.05	1,504,368.17	508,033.33	667,785.93
202,232.48	101,189.53	27,935.89	114,929.20
<u>\$28,365,271.51</u>	<u>\$24,605,301.57</u>	<u>\$ 8,590,496.10</u>	<u>\$11,602,385.87</u>
<b>Surplus or <i>Deficit</i> of Revenues over Operating Expenses before Depreciation and Interest</b>			
\$ 3,445,412.79	\$ 1,918,667.68	\$ 245,681.37	\$ 1,379,999.25
2,751,108.88	2,867,426.81	1,023,828.17	1,227,369.02
<b>DEPRECIATION</b>			
\$ 694,303.91	\$ 948,759.13	\$ 1,269,509.54	\$ 2,607,368.27
493,097.98	470,684.77	256,902.02	290,780.99
<u>\$ 201,205.93</u>	<u>\$ 1,419,443.90</u>	<u>\$ 1,526,411.56</u>	<u>\$ 2,898,149.26</u>
<b>Surplus or <i>Deficit</i></b>			
		<u>\$ 1,526,411.56</u>	<u>\$ 2,898,149.26</u>



**North American Services**

**Atlantic Services**

Year	Year
1950	1949
\$1,950,288.42	\$1,682,547.81
—	—
1,643.63	72,560.51
173,947.15	164,464.19
4,707,011.34	4,094,937.68
10,762.79	9,263.88
—	296,183.29
2,615.29	14,502.59
<u>\$6,846,268.62</u>	<u>\$6,334,459.95</u>

**5100 FLIGHT OPERATIONS**

23 Captains and First Officers . . . . .	\$ 362,900.42	\$ 489,256.71
24 Other Flight Personnel . . . . .	176,958.53	273,014.35
28 Training — Salaries and Expenses . . . . .	326.67	14,946.69
36 Travel and Incidental . . . . .	69,136.69	100,053.38
45 Aircraft Engine Fuel and Oil . . . . .	1,215,830.12	1,730,743.97
53 Other Supplies . . . . .	2,588.75	6,919.16
55 Flight Equipment Insurance . . . . .	329,470.80	404,418.27
74 Other Expenses . . . . .	4,560.72	2,708.86
	<u>\$2,161,772.70</u>	<u>\$3,022,061.39</u>

\$1,027,955.30	\$ 796,479.49
830,497.31	864,295.56
220,010.90	210,838.78
1,452,247.58	667,842.29
2,027,520.74	1,894,115.69
331,978.53	149,654.54
315,000.00	—
<u>\$6,205,210.36</u>	<u>\$4,583,226.35</u>

**5200 FLIGHT EQUIPMENT MAINTENANCE**

25 Aircraft — Labour . . . . .	\$ 190,901.93	\$ 276,289.57
26 Aircraft Engine — Labour . . . . .	192,602.30	413,475.02
27 Aircraft Other Equipment — Labour . . . . .	47,883.08	73,860.86
46 Aircraft — Material, etc. . . . .	433,620.14	269,279.78
47 Aircraft Engine — Material, etc. . . . .	532,628.46	994,671.38
48 Aircraft Other Equipment — Material, etc. . . . .	107,961.42	85,447.93
70 Aircraft Overhaul — Reserve provision . . . . .	—	—
	<u>\$1,505,597.33</u>	<u>\$2,113,024.54</u>

**6100 GROUND OPERATIONS**

\$ 236,860.73	\$ 228,547.58
264,239.99	259,569.85
24,985.80	32,787.95
287,206.91	360,338.35
801,914.29	700,248.69
156,618.49	147,212.84
297,056.90	310,559.68
206,612.48	171,906.29
284,584.74	255,861.39
89,938.19	116,838.39
196,540.54	199,847.18
45,380.75	48,002.87
254,133.02	225,405.46
99,390.25	95,711.92
230,965.52	180,139.22
160,350.76	135,539.40
637,024.47	524,992.15
8,828.14	18,856.53
58,250.00	55,136.27
49,391.51	49,030.22
567.32	625.00
52,338.84	41,751.49
<u>\$4,443,179.64</u>	<u>\$4,158,908.72</u>

21 General Officers and Superintendents . . . . .	\$ 157,843.60	\$ 181,494.91
22 Station Managers and Assistants . . . . .	129,755.91	110,963.29
28 Training — Salaries . . . . .	8,248.75	21,657.96
29 Ground Service Employees — Mechanical . . . . .	126,554.87	171,122.19
29 Ground Service Employees — Cargo . . . . .	170,480.15	161,556.98
30 Flight Dispatchers . . . . .	77,380.09	85,190.47
30 Radio Operators . . . . .	16,422.51	16,218.03
30 Teletype Operators . . . . .	25,655.35	25,742.91
35 Other Employees . . . . .	151,917.29	175,044.54
36 Travel and Incidental . . . . .	68,049.36	110,936.33
37 Telephone, Telegraph and Teletype . . . . .	78,987.89	76,067.42
38 Light, Heat, Power and Water . . . . .	5,838.77	7,464.11
39 Cargo Expenses . . . . .	—	154,292.27
40 Agency Services and Joint Facilities . . . . .	42,493.29	33,744.31
43 Other Services . . . . .	88,864.86	107,777.23
44 Airport, Building and Office Rentals . . . . .	60,124.09	55,773.59
44 Airport Landing Fees . . . . .	179,396.86	213,141.87
49 Servicing Supplies . . . . .	3,163.58	17,546.66
50 Stationery, Printing and Office Supplies . . . . .	23,326.16	40,822.62
53 Other Supplies . . . . .	17,537.77	17,547.14
64 Memberships . . . . .	405.18	—
74 Other Expenses . . . . .	71,486.98	64,659.94
	<u>\$1,503,933.31</u>	<u>\$1,848,764.77</u>



**North American Services**

**Atlantic Services**

Year 1950	Year 1949		Year 1950	Year 1949
<b>6200 GROUND AND INDIRECT MAINTENANCE</b>				
\$ 170,258.16	\$ 160,654.54	21	\$ 46,934.72	\$ 53,300.19
544,646.18	555,734.81	22	193,383.37	295,276.93
254,443.46	241,512.09	27	93,350.81	135,894.24
17,933.15	21,786.20	28	5,297.43	20,720.86
342,335.82	276,759.13	28	117,622.45	178,251.67
222,419.28	207,227.31	29	51,207.87	73,896.52
222,118.39	192,306.38	31	81,621.40	111,856.24
119,652.97	204,210.07	35	112,857.19	130,193.38
495,016.45	386,433.23	35	178,792.42	257,001.92
108,661.89	99,707.63	36	28,279.99	40,748.49
21,428.81	21,939.59	37	8,959.25	16,382.34
125,217.25	115,522.54	38	45,388.66	60,920.76
172,881.41	168,641.19	43	74,385.68	98,201.56
63,166.15	43,307.75	44	7,266.35	11,946.20
338,692.95	258,043.34	48	124,983.16	140,598.80
207,072.72	163,203.43	49	69,829.88	89,084.27
30,287.45	41,847.85	50	12,732.14	23,877.15
29,681.75	37,988.22	53	8,739.41	15,313.79
2,892.68	14,301.23	54	10,617.08	14,868.31
91.24	104.94	64	20.56	10.04
75,804.23	78,052.06	74	38,297.73	58,199.04
<u>\$3,558,917.03</u>	<u>\$3,260,681.07</u>		<u>\$1,289,333.39</u>	<u>\$1,796,806.08</u>

**6300 PASSENGER SERVICE**

\$ 25,895.08	\$ 34,327.25	21	\$ 11,092.82	\$ 18,189.04
478,541.52	398,964.65	24	139,562.04	169,158.82
5,112.37	7,320.04	28	2,402.15	4,685.18
1,602.68	6,861.51	35	791.19	3,158.48
122,317.38	103,595.65	36	42,086.60	57,723.80
35,750.84	32,858.21	43	21,160.81	22,825.92
398.09	1,115.29	50	107.90	514.27
583,732.98	542,477.94	51	99,884.05	120,802.42
159,538.60	128,164.24	52	31,314.18	29,707.10
—	71,070.58	56	31,621.78	38,653.88
132,614.80	101,918.36	63	32,511.35	118,373.20
57,091.87	58,690.89	67	14,314.36	11,811.84
18,027.43	20,813.54	74	5,533.74	8,271.27
<u>\$1,620,623.64</u>	<u>\$1,508,178.15</u>		<u>\$ 432,382.97</u>	<u>\$ 603,875.22</u>





**North American Services**

**Atlantic Services**

Year  
1950

Year  
1949

Year  
1950

Year  
1949

**6400 TRAFFIC AND SALES**

\$ 102,938.12	\$ 122,158.07	21 General Officers and Superintendents.....	\$ 28,109.77	\$ 52,228.89
244,478.98	174,524.69	22 Traffic Supervision.....	66,760.97	74,618.34
25,493.58	21,922.89	28 Training — Salaries.....	6,961.65	9,373.17
1,618.15	1,344.96	29 Building Attendants.....	441.87	575.04
555,233.23	462,518.21	32 Ticketing Employees.....	151,620.02	197,750.47
590,766.06	469,316.59	32 Reservations Employees.....	161,323.14	200,657.13
205,288.09	178,911.86	33 Traffic Solicitors.....	56,058.94	76,494.08
299,414.25	244,148.10	35 Other Employees.....	81,762.39	104,385.94
195,407.66	180,098.49	36 Travel and Incidental.....	53,360.84	77,001.42
288,500.63	205,481.37	37 Telephone, Telegraph and Teletype.....	78,782.16	87,853.92
11,502.43	11,655.00	38 Light, Heat, Power and Water.....	3,141.02	4,983.11
433,010.48	405,602.14	40 Agency Services and Joint Facilities.....	118,249.81	173,415.90
46,501.34	45,278.86	43 Other Services.....	12,698.33	19,359.05
212,022.98	143,976.33	44 Office Rentals.....	57,898.06	61,557.33
66,213.16	71,564.10	50 Stationery, Printing and Office Supplies.....	18,081.12	30,597.36
1,552.37	1,940.10	53 Other Supplies.....	423.91	829.50
5,911.44	2,938.06	64 Memberships.....	1,614.26	1,256.17
38,364.35	26,569.48	74 Other Expenses.....	10,476.32	11,359.83
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\$3,324,217.30	\$2,769,949.30		\$ 907,764.58	\$1,184,296.65

**6500 ADVERTISING AND PUBLICITY**

\$ 48,265.29	\$ 21,352.19	21 General Officers and Other Employees.....	\$ 13,180.02	\$ 9,129.17
6,486.61	2,727.45	36 Travel and Incidental.....	1,771.33	1,166.12
919.36	456.25	37 Telephone and Telegraph.....	251.05	195.07
183.39	443.78	38 Light, Heat, Power and Water.....	50.08	189.74
37,372.07	18,302.22	43 Other Services.....	10,205.36	7,825.15
4,715.16	539.32	44 Office Rentals.....	1,287.59	230.59
11,868.02	7,664.09	50 Stationery, Printing and Office Supplies.....	3,240.85	3,276.80
51,229.83	42,193.59	59 Timetables and Schedules.....	13,989.56	18,039.94
464,035.98	288,720.86	60 Advertising — Space.....	126,719.45	123,443.11
280,751.30	185,334.30	61 Advertising — Other.....	76,666.02	79,229.19
17,977.49	15,831.21	62 Other Promotional and Publicity Expense.....	4,909.19	6,768.66
5,390.85	3,154.13	74 Other Expenses.....	1,472.10	1,348.55
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\$ 929,195.35	\$ 586,719.39		\$ 253,742.60	\$ 250,842.09



North American Services			Atlantic Services	
Year	Year		Year	Year
1950	1949		1950	1949
<b>6600 GENERAL AND ADMINISTRATIVE</b>				
\$ 108,503.60	\$ 71,296.45	21	General Officers and Supervision . . . . .	\$ 29,682.34 \$ 30,686.74
96,160.29	61,188.77	22	Administrative Supervision — Other . . . . .	26,305.69 26,336.29
455,421.43	358,755.44	35	Other Employees . . . . .	124,632.39 154,429.21
62,279.60	164,685.50	36	Travel and Incidental . . . . .	17,118.15 70,882.37
17,742.27	13,072.23	37	Telephone and Telegraph . . . . .	4,876.63 5,626.43
5,640.19	5,649.16	38	Light, Heat, Power and Water . . . . .	1,550.26 2,431.46
31,376.00	27,964.00	39	Affiliated Company Charge . . . . .	8,624.00 12,036.00
22,569.33	11,795.34	41	Professional Fees and Expenses . . . . .	6,203.40 5,076.84
78,766.84	34,912.58	44	Office and Equipment Rentals . . . . .	21,678.24 15,026.74
37,155.73	34,803.16	50	Stationery, Printing and Office Supplies . . . . .	10,212.61 14,979.65
23,404.24	45,685.86	55	Insurance — Public Liability and General . . . . .	16,936.49 17,372.83
57,464.44	83,614.69	57	Insurance — Employees' Welfare . . . . .	60,193.53 76,832.57
390,468.33	390,458.42	57	Pensions . . . . .	119,053.66 156,947.20
20,602.86	15,287.12	64	Memberships . . . . .	5,662.90 6,579.73
97,875.47	78,683.27	68	Taxes — Payroll . . . . .	19,933.64 24,180.30
81,273.24	61,846.66	69	Taxes — General . . . . .	20,750.19 29,135.33
53,188.19	44,669.52	74	Other Expenses . . . . .	14,619.21 19,226.24
<u>\$1,639,892.05</u>	<u>\$1,504,368.17</u>			<u>\$ 508,033.33 \$ 667,785.93</u>
<b>5900 FLIGHT EQUIPMENT DEPRECIATION</b>				
\$1,468,649.37	\$1,544,890.73	75	Aircraft . . . . .	\$ 445,808.23 \$ 582,100.18
416,950.08	393,724.08	76	Aircraft Engines . . . . .	185,327.37 248,726.88
253,537.62	374,850.24	77	Aircraft Spare Parts . . . . .	145,375.57 156,955.80
327,566.31	301,618.12	77	Aircraft Other Equipment . . . . .	134,370.79 130,572.36
<b>6900 GROUND FACILITIES DEPRECIATION</b>				
284,405.50	252,343.64	78	Ground Property and Equipment . . . . .	112,946.21 109,013.80
<u>\$2,751,108.88</u>	<u>\$2,867,426.81</u>			<u>\$1,023,828.17 \$1,227,369.02</u>



