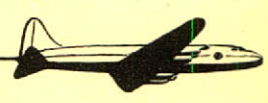


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# *Trans Canada Air Lines*

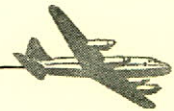


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*Trans-*  
*Canada*  
*Air Lines*



**annual**  
**report**

FOR THE YEAR ENDED DECEMBER 31,

**1949**

## 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*  
W. H. HOBBS  
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, March 7, 1950.

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

Sir:

The Board of Directors submit the Annual Report of the Trans-Canada Air Lines system for the calendar year 1949.

In 1949 Canada was provided with a higher standard and greater volume of air service than ever before. For Trans-Canada Air Lines it was a period of intensive operations and organization. It was a year in which the concentrated effort of a well trained and experienced employee body set many new records in air transportation.

The financial results for the year reflect the effects of heavy seasonal fluctuations in traffic and the rising costs prevalent in the industry.

The number of passengers carried on the entire TCA system increased by 21% over last year's figures and the ton mile volume of air cargo and air express exceeded the previous year's by 50%. The greatly increased amount of work done by the airline in 1949 was accomplished without alteration in the size of the fleet and with a negligible increase in staff.

Emphasis was placed on a training programme for ground personnel which brought about marked improvement in the quality of airline service provided the travelling public. Improved reservations procedures and teletype communications simplified and speeded up the allotment of passenger accommodation. A central space control office, considered in the industry to be the most efficient in North America, was opened in Toronto.

Perhaps the outstanding accomplishment of the year was the attainment of an extremely high level of "on time" performance. More than 100 flights were planned daily and during several months more than 90% of these arrived within 30 minutes of schedule. In 1949, 84% of all flights departed on time, peak performance being attained in August when 91% of the 6,380 departures in that month were made on time. 97% of all scheduled flight mileage was completed.

There were no major changes in the Company's route structure, but main-line North Star service was extended to more communities in Canada, and Barbados was included as a traffic stop on the route to Bermuda and the Island of Trinidad. Stephenville became a stop on the route between Sydney and St. John's, thus providing additional service to Newfoundland.

Tariffs designed to make airline transportation available to more people and at the same time stimulate traffic during the off-season period were instituted. A family fare plan was introduced which, during certain periods of the week, provided exceedingly low cost air transportation for family groups. A special rate for commercial travellers was also part of this programme.









A bi-lateral agreement negotiated between Canada and the United States in June provided for operations by a Canadian airline between Montreal and New York City and into Florida. These routes would have been valuable additions to TCA's service pattern had it been possible to implement them in 1949. At the year end the New York-Montreal licence application was still delayed by U. S. litigation and the Florida licence was still before the U. S. Civil Aeronautics Board. It is hoped that operations over these routes will, in subsequent years, provide the Company with a greater north-south traffic potential, thus alleviating the low traffic periods on the east-west routes now being encountered during the winter months.

TCA continued the general carriage of first-class mail by air in 1949. This resulted in a volume of traffic almost half as large again as that of the previous year. It is scarcely possible to overstate the importance of this air carriage of mail in terms of time and money saved by Canadian business. The compensation paid to the Company by the Post Office Department remained throughout the year at the figure which had been tentatively established at the time first-class "all up" mail was inaugurated.

Economies were effected by some internal re-organization. In November, the number of heavy maintenance check centres was reduced from 3 to 2. This did not influence the frequency of maintenance checks but produced economies through the consolidation of equipment and staff. Completion of the new International Aviation Building at Montreal enabled the Company to centralize its headquarters at this location. This move made for greater efficiency and closer co-operation between all departments and greatly reduced the amount of time and money previously spent on staff travel.

<b>FIVE-YEAR GROWTH OF THE AIRLINE</b>			
	<b>ALL SERVICES</b>	<b>1945</b>	<b>1949</b>
	<b>REVENUE PASSENGERS CARRIED</b>	183,121	685,086
	<b>MAIL TON MILES</b>	1,571,180	3,808,713
	<b>COMMODITY TON MILES*</b>	400,578	3,518,962
	<b>AVAILABLE TON MILES</b>	17,800,000	84,208,868

\*INCLUDES AIR EXPRESS, AIRCARGO AND CHARTER CARGO.





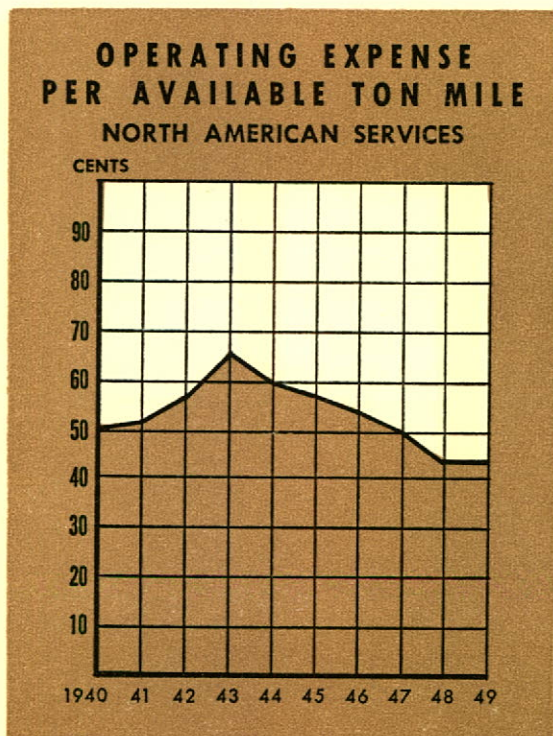
DETAIL

## TRANS-CANADA AIR LINES - NORTH AMERICAN SERVICES

### FINANCIAL REVIEW

The following is a concise tabulated presentation of 1949 operating results compared with those of 1948:

	1949	1948	Increase	
			Amount	Per Cent
Operating Revenues . . . . .	\$26,523,969	\$20,866,936	\$5,657,033	27
Operating Expenses Excluding Depreciation . . . . .	24,605,301	19,249,971	5,355,330	28
Surplus of Revenues Over Operating Expenses Before Depreciation and Interest . . . . .	\$ 1,918,668	\$ 1,616,965		
Depreciation . . . . .	2,867,427	2,374,085	493,342	21
Operating <i>Loss</i> After Depreciation . . . .	\$ 948,759	\$ 757,120		
Interest on Capital Invested . . . . .	470,685	425,902	44,783	10
<i>Deficit</i> . . . . .	<u>\$ 1,419,444</u>	<u>\$ 1,183,022</u>		



Passenger revenue totalled \$19,460,395, increasing by \$4,590,817 or 31%. Mail revenue amounted to \$5,400,000, an increase of \$751,225 or 16%. Commodity revenues rose by \$241,628 or 32%. Revenues from Sales and Services increased by \$35,840 or 10%. Other revenues increased by \$37,524 or 17%. Passenger revenue contributed 73% of the total, mail revenue 20% and cargo revenue 4%.

Payroll chargeable to operating expenses rose by \$2,384,584 in 1949 under the impact of the rising cost of living. Higher price levels were responsible for additional expense in the purchase of the airline's materials and supplies.

The use of the North Star fleet during the full year as compared with its six months of operation in 1948 was responsible for much higher charges for maintenance and for fuel consumption.

Similarly, operating expenses in 1949 carried North Star depreciation charges for



the full twelve months on the whole fleet, with the result that these uncontrollable charges rose by \$493,342 in domestic operations.

Other expense increases amounting to \$496,790 were associated with the handling of the much greater volume of passenger and cargo traffic and the intensified sales campaign.

In considering these financial results, it should be borne in mind that Canadian airlines are placed at a severe disadvan-

tage by the weight of customs duty and sales tax which they must pay on equipment and materials imported from the United States. On the average, TCA spends 30% more for such items than do its United States counterparts.

It is, perhaps, worth while to note that in 1949 TCA returned to the Government of Canada and its agencies in the form of customs duties, sales taxes, interest charges, property rentals and landing fees, approximately \$3,000,000.

## OPERATIONS AND TRAFFIC REVIEW

Public use of TCA's domestic services reached record levels in 1949. There was sustained growth of passenger, mail and commodity traffic, due largely to improved operating performance.

	1949	1948	Per Cent Increase
Revenue Miles Flown . . . . .	16,364,733	15,270,649	7
Revenue Passengers Carried . . . . .	648,574	532,555	22
Mail Ton Miles . . . . .	3,403,810	2,294,088	48
Aircargo Ton Miles . . . . .	1,053,996	704,831	50
Air Express Ton Miles . . . . .	884,112	708,151	25
Revenue Passenger Miles . . . . .	310,699,767	249,575,544	24
Available Seat Miles . . . . .	459,842,123	367,455,955	25
Available Ton Miles . . . . .	63,449,171	48,800,587	30
Revenue Ton Miles . . . . .	35,843,949	28,195,275	27

### *Service Development*

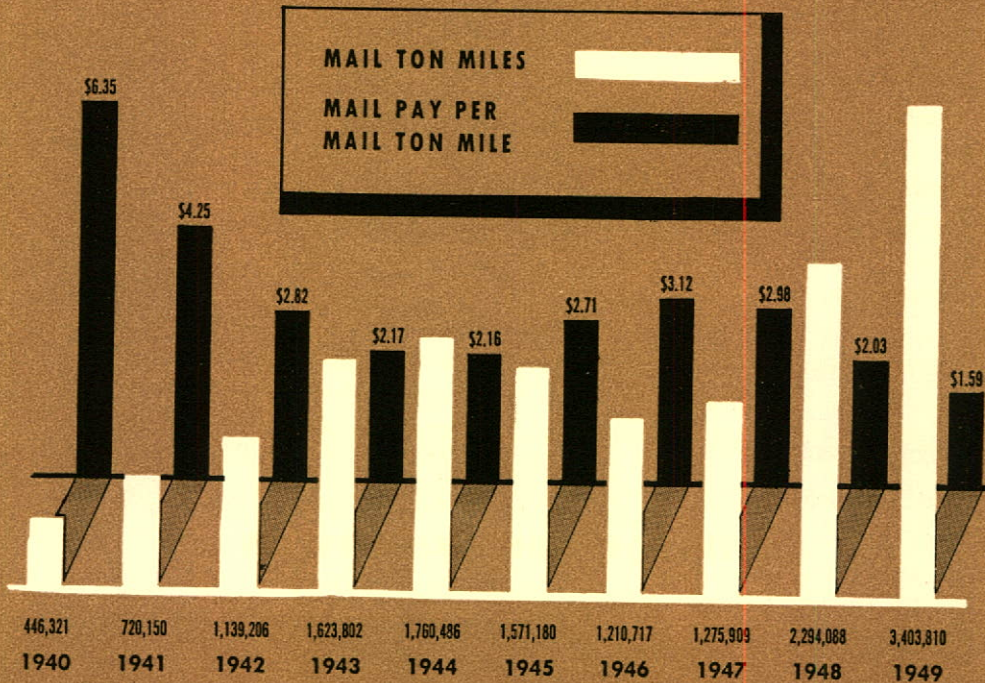
In 1949 TCA emphasized the further improvement of transportation services already established. It was the Company's aim to ensure that with a strong network of national air routes the quality of airline performance should be of the highest standard.

TCA made comparatively few route extensions during the year, but there was a development of importance on May 1 when a third daily transcontinental North

Star service began between Montreal and Vancouver. This additional flight was routed through Edmonton and Saskatoon, bringing service with four-engine aircraft to those communities for the first time. The North Stars replaced DC-3s previously used on the route between Edmonton, Saskatoon and Winnipeg. In effect, TCA's transcontinental North Star operation now divides into two main lines, together taking service to a wide area in Western Canada.



## TCA MAIL TRANSPORT 1940 - 1949 (Domestic Services)



### Passenger Traffic

Improved service standards, certain favourable fare considerations and a very active sales campaign combined in 1949 to attract passengers to the airline in unprecedented numbers.

In spite of rising prices, there was no increase in the cost of air transportation in Canada. TCA took advantage of the elimination of the 15% transportation tax in April to increase revenues without penalty to the travelling public. At the same time, the Company introduced special fare reductions and discounts which brought about an overall decrease in the cost of air travel to Canadians from 1948 fares.

The quality of TCA passenger service was raised by the introduction of pre-cooked frozen foods. TCA has pioneered this new form of transport catering in Canada with resultant improvement in meal service and economies to the airline through the elimination of waste.

A basic problem of the airline continued to be the heavy seasonal fluctuations in demand for air transportation. Since a

very high proportion of expense remains fixed throughout the year, it is not possible to reduce operating expenses commensurately with the fall, winter and spring reduction of work loads. The energies of TCA were and will continue to be devoted to the alleviation of this unsatisfactory condition.

### Mail Traffic

The mail ton mileage was 48% greater in 1949 than in the previous year, but "all up" mail was carried during only six months of 1948. The average monthly volume of mail was considerably larger in the closing months of 1949 than was the case in 1948.

Although the interim financial arrangement calling for the monthly payment of \$450,000 by the Post Office for this service was to expire on March 31, 1949, negotiations with that Department for a new and permanent basis of mail pay, related to the much greater scale of transport work now being done, had not been concluded at the year's end.





### ***Cargo Traffic***

The development of commodity transport, which received impetus in 1948 with the inauguration of an air cargo service, proceeded actively throughout 1949. Special attention was given to the shipment of perishables by air.

There was no increase of express charges, while new commodity rates effected reductions in the air cargo tariff.

### ***Property and Equipment***

There was no change in the size of the TCA fleet in 1949. It consisted of 20 North Stars and 27 Douglas DC-3s. The division of the former between domestic and overseas operations was roughly equal during the year. Some adjustments were made to meet seasonal traffic conditions.

The last of the Lockheed Lodestars were sold.

The Company increased the seating capacity of three DC-3 aircraft from 21 to 28 passengers and put these into service on the short Pacific Coast route between Vancouver, Victoria and Seattle.

The flight performance of the Company's North Star fleet was very satisfactory. The operating record of these aircraft, achieving as they did the best schedule performance in the airline's history, speaks for itself. The Canadian-built North Star has made its way in the competitive manufacturers' market and is now flying on many of the major air routes of the world.

There were few important changes in ground installations in 1949, as the airline continued to keep watch on its capital expenditures.

In February, TCA removed its staff from Penticton in consequence of the exclusive use of North Star aircraft across the Rockies.

### ***Routes***

At December 31, 1949, Trans-Canada Air Lines was providing service for passenger, mail and commodity traffic over nation-wide routes totalling 8,085 miles. This was an increase of 173 miles or 2% over 1948. The route map on pages 12 and 13 shows the comprehensive nature of the Company's operations.

### ***Airway Facilities***

The airline and the Department of Transport continued in 1949 to work in close co-operation in the development of Canada's airports and airways. The harmony which prevails in Canada between the operating airlines and the department of government responsible for these matters has produced a good basic structure of aeronautical facilities and one that is improving as development funds become available.

Important runway construction took place at Calgary, the Lakehead and Toronto, improving the airline's ability to provide scheduled service.

Another aid to service reliability was the installation of instrument landing equipment at more Canadian airports. This programme has now reached a point where it can substantially reduce air transport's dependence upon weather. With the aid of ILS a TCA pilot can guide his aircraft down a slanting radio beam to the runway under unfavourable weather conditions.

TCA completed the installation of very high frequency ground radio units at all its stations. This ensures static-free communication at all times between the Company's pilots and the ground staff.





DETAIL

## TRANS-CANADA AIR LINES (ATLANTIC) LIMITED

### FINANCIAL REVIEW

There follows a tabulation of the year's financial results:

	1949	1948*	Increase or Amount	Decrease Per Cent
Operating Revenues.....	\$10,222,387	\$10,861,110	\$638,723	6
Operating Expenses Excluding Depreciation.....	11,602,386	11,126,437	475,949	4
<i>Deficit</i> of Revenues To Operating Expenses Before Depreciation and Interest.....	\$ 1,379,999	\$ 265,327		
Depreciation.....	1,227,369	1,244,407	17,038	1
Operating <i>Loss</i> After Depreciation.....	\$ 2,607,368	\$ 1,509,734		
Interest on Capital Invested.....	290,781	240,484	50,297	21
<i>Deficit</i> .....	\$ 2,898,149	\$ 1,750,218		

\* The Company's operations to Bermuda and to the Caribbean did not begin until May 1 and December 2, 1948 respectively.

Passenger traffic on scheduled services contributed \$7,095,687 in revenue, increasing by \$324,040 or 5%. Mail revenue totalled \$1,178,653, an increase of \$68,922 or 6%. Cargo revenues rose sharply to \$792,243, an increase of \$278,026 or 54%. Revenues from Sales and Services decreased by \$56,127 or 20%. Revenue from non-scheduled transport services declined by 58% from \$2,085,463 in 1948. Passenger revenue contributed 69% of the total, mail revenue 12% and cargo revenue 8%.

The overseas services suffered from the same factors as domestic operations; payroll chargeable to operating expenses increased by \$215,341 and there was a considerable increase in the price of materials and supplies.

The rapid growth of passenger traffic which did a good deal to compensate for

the increased cost of domestic flying, was not present to the same degree on overseas routes and the Caribbean and Bermuda services remained in the development stage insofar as traffic is concerned. Energetic sales promotion of these new southern operations has shown promising results but during the early portion of 1949 they suffered the revenue penalties of such fresh enterprises.

North Atlantic revenues were weakened by the termination in March of the large-scale immigrant transport that TCA had conducted under contract with the Dominion and Ontario Governments. In 1949, there was \$1,210,447 less passenger revenue from chartered flights than in 1948.

The overseas transport services continued to stimulate Canada's international commerce.



## OPERATIONS AND TRAFFIC REVIEW

Comparison of TCA's combined North Atlantic, Bermuda and Caribbean flying in 1949 and 1948 is as follows:

	1949	1948	Per Cent Increase or Decrease
Revenue Miles Flown . . . . .	4,158,523	4,671,120	11
Revenue Passengers Carried . . . . .	36,512	32,821	11
Mail Ton Miles . . . . .	404,903	369,534	10
Commodity Ton Miles . . . . .	1,577,987	941,270	68
Revenue Passenger Miles . . . . .	95,711,824	100,536,167	5
Available Seat Miles . . . . .	149,858,970	148,485,150	1
Available Ton Miles . . . . .	20,759,697	18,757,933	11
Revenue Ton Miles . . . . .	13,071,361	12,916,969	1

### *Service Development*

On the North Atlantic route between Canada and the British Isles, TCA maintained an operational frequency of two round trips daily during the summer season, this being reduced considerably during the spring and winter months. In all, the airline made 996 scheduled and unscheduled trans-Atlantic crossings, somewhat fewer than in 1948 when there were 175 westbound charter flights for immigrant transport.

In December, Stephenville Airport in Newfoundland became available as a planned alternate to Gander on international operations, provision for this having been made in Canada's new air transport agreement with the United States.

A revised routing pattern was applied to Caribbean operations on June 1, when Bermuda flights were extended to Trinidad and service was withdrawn between the latter island and Jamaica. This had the effect of offering improved service to Trinidad by reducing the flight time from Canada by over 3 hours. As TCA does not have inter-island traffic rights between

Jamaica and Trinidad there was no loss of revenue potential.

On December 2, service was begun to Barbados on the Bermuda-Trinidad route.

### *Passenger Traffic*

Westbound traffic on the North Atlantic was again greater than in the opposite direction, although eastbound travel was up slightly from 1948.

Extreme seasonal fluctuation in North Atlantic air traffic was again evident and TCA, acting in common with other operators, endeavoured to combat this with 60-day winter excursion fares based on the normal one-way fare and a third.

Currency devaluation obliged the airline in September to increase its international fares to the sterling area by approximately 10% and those quoted in sterling from the sterling area to Canada by approximately 20%.

The economic problems arising from the currency situation almost put a halt to air travel originating in Bermuda and the British Caribbean for Canadian destinations, although TCA did carry a good volume of traffic on its through service





between those islands and the United Kingdom. During 1949 a total of 11,611 persons travelled on Bermuda and Caribbean flights.

The new pre-cooked frozen meals were introduced also on the overseas services and met with favourable passenger response.

### **Mail Traffic**

There was some increase in the volume of North Atlantic air mail carried by TCA, but the southern services produced very little such traffic.

### **Commodity Traffic**

TCA's overseas commodity traffic was very much heavier in 1949. In April, the previous air express and air freight services were united in a single air cargo service that developed steadily on the North Atlantic until, by the winter months, it was producing a sizeable proportion of total revenue. Westbound traffic was particularly heavy, reflecting the drive of British export business.

The same was not, unfortunately, true of the Bermuda and Caribbean services. The present dislocation of Canadian-West Indian trade reduced air cargo loads to a very low level.

Currency devaluation also affected TCA's North Atlantic cargo rates. In September, these were raised by 10% for shipments from Canada to the sterling area and by 20% in sterling from the sterling area to Canada.

### **Property and Equipment**

The assignment of North Star aircraft to the overseas services varied from 11 early in the year to 9 in the closing months. As was the case on domestic routes, these aircraft performed well, comparing favour-

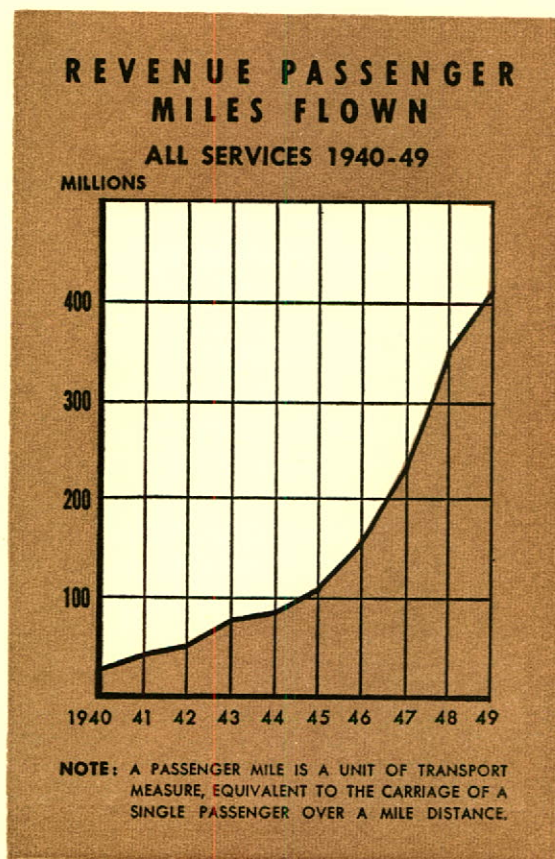
ably with other types in general international use.

TCA converted to military specifications and returned to the Royal Canadian Air Force the five unpressurized North Star M1 aircraft that had been loaned by the Government for earlier use on the North Atlantic service.

In September, the Company moved its London Traffic Office to larger accommodation at 27 Pall Mall.

### **Routes**

TCA's overseas routes now total 8,303 miles, reaching to England, Scotland, Ireland, Bermuda, The Bahamas, Jamaica, Barbados and Trinidad.











# TRANS-CANADA AIR LINES

*The Maple Leaf Route*

TCA Routes 

Other Air Lines 

Proposed TCA Routes 







## GENERAL

### Organization

In August, Mr. Geo. Herring, who for twelve years had rendered valuable service to the airline, resigned from the Board of Directors. He was succeeded by Mr. R. A. C. Henry, previously Chairman of the Canadian Air Transport Board.

### Personnel

There was little change in the size of TCA's staff, employees numbering 5,137 at year end, as compared with 5,084 at December 31, 1948. This was in marked contrast with the 21% increase in system passenger traffic, 43% in mail traffic and 50% in commodity traffic. Reflected in those figures is the higher efficiency resulting from growing experience of staff.

### Financial—Reserves

In 1949 the Company repaid in full the loan of \$1,500,000 advanced by the Canadian National Railways to meet capital expenditures.

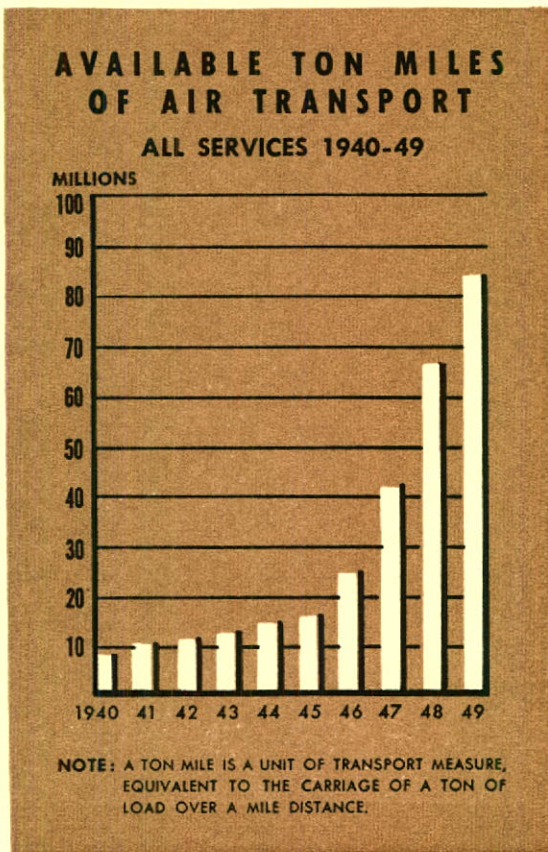
The Company's self-insurance fund increased by \$545,908 during the year and now totals \$3,659,708. In August, there was a discontinuance of hull, passenger and public liability accruals for North American services, the fund having reached the desired level of \$3,000,000.

Subsequent to TCA's fulfilment of its obligations to the Government in connection with the loan of the initial fleet of North Star aircraft, the residue from the original reserve, together with certain allowances received from manufacturers, was set aside to provide for the cost of future major aircraft overhauls. This amounted to \$523,426 at December 31, 1949, and, considering the anticipated maintenance programme, is sufficient for

the nucleus of the reserve to which further accruals may be made.

### International Air Agreements

Canada's negotiation of revised bilateral air transport agreements with the United Kingdom and the United States respectively, opened the way to further growth and strengthening of the nation's international air services. These new undertakings have particular significance for TCA on the North Atlantic and in the Caribbean, providing as they do for the possibility of several additional traffic stops.





The opening of service to Barbados and the scheduling of a traffic stop at Stephenville, Newfoundland, were the first TCA implementations of the terms of the agreements.

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

TCA will in 1950 continue the active stimulation of air travel and transportation. The reliability and general quality of the Company's transport service will again rise with the help of better airports and modern navigation aids. This should result in higher revenues.

Financially, 1949 was a difficult year but, assuming no serious deterioration of general economic conditions, the operating results of 1950 should show improvement. Concentration of technical effort and the adoption of improved procedures are already producing reductions of maintenance and overhaul costs, and this will continue.

The problem of seasonal traffic fluctuations is basic and will continue to dominate the Company's planning. Promotional efforts will seek to reduce these fluctuations to a minimum.

It is to be hoped that 1950 will see the realization of a Montreal-New York service and that authorization will also be obtained

for the inclusion of Tampa, Florida, in the route to the Caribbean.

Management will be in close contact with all trends in aircraft manufacture that offer promise of superior air transport at less cost.

TCA will continue to serve the public with the highest possible standard of rapid transport, minimizing Canadian distances, opening new channels of domestic and international commerce and steadily broadening the travel horizon.

### ***Appreciation***

In mainline air service the past decade has seen a creative effort of the first importance to the nation, its transport future and its capacity for defence. To the men and women of TCA, whose skill and loyalty have done much to make this possible, the Board of Directors again extend their sincere appreciation for work well and conscientiously done.

For the Directors,

*G R Mc Gregor*

President.





## CONSOLIDATED BALANCE SHEET

### ASSETS

#### CURRENT ASSETS:

Cash.....	\$ 1,774,981.39	
Working Fund Advances.....	10,962.00	
Temporary Cash Investment.....	1,005,812.50	
Special Deposits.....	21,263.42	
Accounts Receivable.....	2,050,416.83	
Traffic Balances Receivable.....	725,563.39	
Balances Receivable from Agents.....	456,313.65	
Government of Canada—balance of deficit.....	603,283.16	
Material and Supplies.....	2,777,158.59	
Interest Receivable.....	8,385.42	
Other Current Assets.....	33,442.89	\$ 9,467,583.24

#### DEFERRED CHARGES:

Prepayments.....	\$ 39,842.83	
Other Deferred Charges.....	41,714.44	81,557.27

INSURANCE FUND..... 3,659,708.43

INVESTMENTS IN JOINT ASSOCIATIONS..... 12,575.77

#### CAPITAL ASSETS:

Property and Equipment.....	\$30,983,295.38	
Less Accrued Depreciation.....	9,865,130.68	21,118,164.70
		<u>\$34,339,589.41</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 of the Air Lines as at the 31st. December, 1949, and that the relative Income Statement for the year ended on that date are correct. We are reporting to Parliament in respect of our annual audit.

7th. March, 1950.



AT 31st. DECEMBER, 1949

LIABILITIES

CURRENT LIABILITIES:

Audited Accounts Payable.....	\$ 369,538.64	
Accrued Accounts Payable.....	1,593,013.66	
Traffic Balances Payable.....	926,998.44	
Air Travel Plan Deposits.....	700,825.00	
Salaries and Wages.....	519,201.11	
Other Current Liabilities.....	988,746.76	\$ 5,098,323.61

RESERVES:

Insurance.....	\$ 3,659,708.43	
Overhaul.....	523,426.21	
Research and Development.....	58,131.16	4,241,265.80

CAPITAL STOCK:

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

Deficit—Year 1949.....	\$ 4,317,593.16	
Charged to Government of Canada.....	4,317,593.16	—
		<u>\$34,339,589.41</u>

T. H. COOPER,  
Comptroller.

OF AUDITORS

and its Subsidiary Company for the year ended the 31st. December, 1949. properly drawn up so as to exhibit a true and correct view of the affairs Accounts for the year ended the 31st. December, 1949, are correctly stated.

GEORGE A. TOUCHE & CO.,  
Chartered Accountants.





## INCOME ACCOUNTS

North American Services		Atlantic Services	
Year 1949	Year 1948	Year 1949	Year 1948
<b>OPERATING REVENUES:</b>			
\$19,460,394.52	\$14,869,577.63	\$ 7,095,687.04	\$ 6,771,646.61
5,400,000.00	4,648,775.41	1,178,653.41	1,109,731.51
1,005,803.36	764,175.18	792,243.28	514,217.02
155,809.07	124,742.89	55,017.83	40,877.66
106,257.92	99,801.10	879,190.82	2,146,916.71
395,704.38	359,864.12	221,594.24	277,720.84
\$26,523,969.25	\$20,866,936.33	\$10,222,386.62	\$10,861,110.35
<b>OPERATING EXPENSES—EXCLUDING DEPRECIATION:</b>			
\$ 6,334,459.95	\$ 5,596,608.14	\$ 3,022,061.39	\$ 3,278,511.71
4,583,226.35	2,694,508.91	2,113,024.54	1,924,371.88
4,158,908.72	3,623,019.48	1,848,764.77	1,693,462.09
3,260,681.07	2,566,751.24	1,796,806.08	1,552,445.37
1,508,178.15	1,346,680.46	603,875.22	619,462.49
2,769,949.30	2,043,684.09	1,184,296.65	1,201,804.38
586,719.39	416,194.28	250,842.09	244,746.30
1,504,368.17	974,635.76	667,785.93	596,960.40
101,189.53	12,111.68	114,929.20	14,672.39
\$24,605,301.57	\$19,249,970.68	\$11,602,385.87	\$11,126,437.01
\$ 1,918,667.68	\$ 1,616,965.65	\$ 1,379,999.25	\$ 265,326.66
2,867,426.81	2,374,085.64	1,227,369.02	1,244,407.10
\$ 948,759.13	\$ 757,119.99	\$ 2,607,368.27	\$ 1,509,733.76
470,684.77	425,902.17	290,780.99	240,484.46
\$ 1,419,443.90	\$ 1,183,022.16	\$ 2,898,149.26	\$ 1,750,218.22



North American Services		Atlantic Services	
Year	Year	Year	Year
1949	1948	1949	1948
<b>5100 FLIGHT OPERATIONS</b>			
\$1,682,547.81	\$1,484,644.26	\$ 489,256.71	\$ 549,851.46
—	—	273,014.35	289,573.89
72,560.51	215,172.24	14,946.69	59,198.12
164,464.19	190,852.42	100,053.38	100,768.22
4,094,937.68	3,215,780.92	1,730,743.97	1,867,067.34
9,263.88	16,089.35	6,919.16	8,642.87
296,183.29	472,241.76	404,418.27	403,042.16
—	1,381.94	152.06	113.95
14,502.59	445.25	2,556.80	253.70
<u>\$6,334,459.95</u>	<u>\$5,596,608.14</u>	<u>\$3,022,061.39</u>	<u>\$3,278,511.71</u>
<b>5200 FLIGHT EQUIPMENT MAINTENANCE</b>			
\$ 796,479.49	\$ 526,346.05	\$ 276,289.57	\$ 342,834.85
864,295.56	575,652.69	413,475.02	408,016.28
210,838.78	121,731.49	73,860.86	36,100.40
667,842.29	485,125.19	269,279.78	332,273.96
1,894,115.69	890,515.13	994,671.38	741,850.03
149,654.54	95,138.36	85,447.93	63,296.36
<u>\$4,583,226.35</u>	<u>\$2,694,508.91</u>	<u>\$2,113,024.54</u>	<u>\$1,924,371.88</u>
<b>6100 GROUND OPERATIONS</b>			
\$ 228,547.58	\$ 210,527.74	\$ 181,494.91	\$ 199,482.18
259,569.85	205,592.62	110,963.29	55,567.27
32,787.95	25,028.32	21,657.96	36,046.43
360,338.35	359,382.34	171,122.19	115,841.34
700,248.69	495,710.55	161,556.98	104,423.14
147,212.84	132,727.20	85,190.47	79,002.21
310,559.68	287,306.74	16,218.03	3,261.82
171,906.29	131,323.49	25,742.91	17,525.51
255,861.39	206,714.98	175,044.54	130,805.05
116,838.39	132,971.28	110,936.33	136,610.52
199,847.18	204,469.22	76,067.42	49,969.97
48,002.87	64,567.41	7,464.11	23,406.25
225,405.46	185,088.06	154,292.27	148,619.22
95,711.92	75,078.66	33,744.31	19,635.08
180,139.22	190,806.48	107,777.23	118,808.07
135,539.40	115,754.70	55,773.59	48,424.19
524,992.15	410,145.90	213,141.87	240,199.56
18,856.53	36,378.65	17,546.66	43,182.30
55,136.27	73,688.81	40,822.62	46,325.78
49,030.22	39,832.56	17,547.14	15,227.86
625.00	681.56	—	—
41,751.49	39,242.21	64,659.94	61,098.34
<u>\$4,158,908.72</u>	<u>\$3,623,019.48</u>	<u>\$1,848,764.77</u>	<u>\$1,693,462.09</u>





**North American Services**

Year            Year  
1949            1948

\$ 160,654.54	\$ 149,481.76
555,734.81	378,601.65
241,512.09	212,234.48
21,786.20	23,982.16
276,759.13	310,396.97
207,227.31	174,631.15
192,306.38	147,534.41
204,210.07	219,502.88
386,433.23	207,484.15
99,707.63	101,691.78
21,939.59	15,254.81
115,522.54	88,809.79
168,641.19	8,986.75
43,307.75	26,771.02
258,043.34	218,067.90
163,203.43	168,289.49
41,847.85	35,875.46
37,988.22	24,853.74
<i>14,301.23</i>	17,733.24
104.94	263.10
78,052.06	36,304.55
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\$3,260,681.07	\$2,566,751.24

**Atlantic Services**

Year            Year  
1949            1948

**6200 GROUND AND INDIRECT MAINTENANCE**

21 General Officers and Superintendents . . . . .	\$ 53,300.19	\$ 54,102.59
22 Maintenance and Stores Supervision . . . . .	295,276.93	258,373.40
27 Equipment and Facilities—Labour . . . . .	135,894.24	97,294.52
28 Training—Salaries . . . . .	20,720.86	32,719.64
28 Unallocated Shop Labour . . . . .	178,251.67	180,930.71
29 Building Attendants . . . . .	73,896.52	70,722.46
31 Stores Employees . . . . .	111,856.24	102,349.60
35 Engineering Employees . . . . .	130,193.38	115,926.66
35 Other Employees . . . . .	257,001.92	237,083.06
36 Travel and Incidental . . . . .	40,748.49	53,131.23
37 Telephone and Telegraph . . . . .	16,382.34	15,877.24
38 Light, Heat, Power and Water . . . . .	60,920.76	33,982.81
43 Other Services . . . . .	98,201.56	10,859.33
44 Building and Office Rentals . . . . .	11,946.20	32,343.43
48 Equipment and Facilities—Material, etc. . . . .	140,598.80	104,363.24
49 Shop Supplies . . . . .	89,084.27	67,998.54
50 Stationery, Printing and Office Supplies . . . . .	23,877.15	23,817.66
53 Other Supplies . . . . .	15,313.79	9,202.29
54 Stores Inventory Adjustment . . . . .	<i>14,868.31</i>	15,619.24
64 Memberships . . . . .	10.04	3.00
74 Other Expenses . . . . .	58,199.04	35,744.72
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	\$1,796,806.08	\$1,552,445.37

**6300 PASSENGER SERVICE**

\$ 34,327.25	\$ 35,439.40
398,964.65	289,576.20
7,320.04	6,178.19
6,861.51	5,512.44
103,595.65	112,461.26
32,858.21	37,059.75
1,115.29	578.24
542,477.94	414,842.20
128,164.24	133,773.32
71,070.58	121,647.59
101,918.36	119,129.22
58,690.89	66,130.14
20,813.54	4,352.51
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\$1,508,178.15	\$1,346,680.46

21 General Officers and Superintendents . . . . .	\$ 18,189.04	\$ 18,741.77
24 Stewards and Stewardesses . . . . .	169,158.82	150,615.94
28 Training—Salaries . . . . .	4,685.18	2,832.38
35 Other Employees . . . . .	3,158.48	2,768.61
36 Travel and Incidental . . . . .	57,723.80	49,489.06
43 Other Services . . . . .	22,825.92	13,150.30
50 Stationery, Printing and Office Supplies . . . . .	514.27	593.43
51 Passenger Food Expense . . . . .	120,802.42	127,612.40
52 Passenger Supplies . . . . .	29,707.10	46,122.40
56 Passenger Liability Insurance . . . . .	38,653.88	47,823.77
63 Interrupted Flight Expense . . . . .	118,373.20	144,888.49
67 Customs Expense . . . . .	11,811.84	13,746.24
74 Other Expenses . . . . .	8,271.27	1,077.70
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	\$ 603,875.22	\$ 619,462.49



**North American Services**

**Atlantic Services**

Year 1949	Year 1948
\$ 122,158.07	\$ 85,151.15
174,524.69	129,603.30
21,922.89	11,840.63
1,344.96	1,076.79
462,518.21	355,169.18
469,316.59	359,278.71
178,911.86	115,781.42
244,148.10	151,127.08
180,098.49	128,880.08
205,481.37	166,664.51
11,655.00	8,061.16
405,602.14	296,489.16
45,278.86	34,613.51
143,976.33	112,581.00
71,564.10	71,398.27
1,940.10	2,867.38
2,938.06	3,155.04
26,569.48	9,945.72
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\$2,769,949.30	\$2,043,684.09

**6400 TRAFFIC AND SALES**

21	General Officers and Superintendents . . . . .
22	Traffic Supervision . . . . .
28	Training—Salaries . . . . .
29	Building Attendants . . . . .
32	Ticketing Employees . . . . .
32	Reservations Employees . . . . .
33	Traffic Solicitors . . . . .
35	Other Employees . . . . .
36	Travel and Incidental . . . . .
37	Telephone, Telegraph and Teletype . . . . .
38	Light, Heat, Power and Water . . . . .
40	Agency Services and Joint Facilities . . . . .
43	Other Services . . . . .
44	Office Rentals . . . . .
50	Stationery, Printing and Office Supplies . . . . .
53	Other Supplies . . . . .
64	Memberships . . . . .
74	Other Expenses . . . . .

Year 1949	Year 1948
\$ 52,228.89	\$ 50,073.80
74,618.34	76,214.23
9,373.17	6,962.97
575.04	633.21
197,750.47	208,860.00
200,657.13	211,276.66
76,494.08	68,086.17
104,385.94	88,871.46
77,001.42	75,788.93
87,853.92	98,008.37
4,983.11	4,740.43
173,415.90	174,352.76
19,359.05	20,354.75
61,557.33	66,204.14
30,597.36	41,986.31
829.50	1,686.19
1,256.17	1,855.34
11,359.83	5,848.66
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\$1,184,296.65	\$1,201,804.38

\$ 21,352.19	\$ —
42,193.59	28,962.48
288,720.86	248,356.51
185,334.30	97,836.28
49,118.45	41,039.01
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\$ 586,719.39	\$ 416,194.28

**6500 ADVERTISING AND PUBLICITY**

21	General Officers and Other Employees . . . . .
59	Timetables and Schedules . . . . .
60	Advertising—Space . . . . .
61	Advertising—Other . . . . .
62	Other Promotional and Publicity Expense . . . . .

\$ 9,129.17	\$ —
18,039.94	17,031.61
123,443.11	146,047.98
79,229.19	57,533.39
21,000.68	24,133.32
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\$ 250,842.09	\$ 244,746.30

**6600 GENERAL AND ADMINISTRATIVE**

\$ 71,296.45	\$ 72,523.19
61,188.77	23,192.85
358,755.44	243,309.72
164,685.50	19,059.65
13,072.23	9,004.10
5,649.16	—
27,964.00	30,830.00
11,795.34	7,814.25
34,912.58	18,591.28
34,803.16	26,656.11
45,685.86	31,683.09
83,614.69	63,513.87
390,458.42	298,342.67
15,287.12	10,983.96
78,683.27	46,688.73
61,846.66	45,287.96
44,669.52	27,154.33
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\$1,504,368.17	\$ 974,635.76

21	General Officers and Supervision . . . . .
22	Administrative Supervision—Other . . . . .
35	Other Employees . . . . .
36	Travel and Incidental . . . . .
37	Telephone and Telegraph . . . . .
38	Light, Heat, Power and Water . . . . .
39	Affiliated Company Charge . . . . .
41	Professional Fees and Expenses . . . . .
44	Office and Equipment Rentals . . . . .
50	Stationery, Printing and Office Supplies . . . . .
55	Insurance—Public Liability and General . . . . .
57	Insurance—Employees' Welfare . . . . .
57	Pensions . . . . .
64	Memberships . . . . .
68	Taxes—Payroll . . . . .
69	Taxes—General . . . . .
74	Other Expenses . . . . .

\$ 30,686.74	\$ 45,785.43
26,336.29	14,642.15
154,429.21	153,925.10
70,882.37	12,032.76
5,626.43	5,684.45
2,431.46	—
12,036.00	19,170.00
5,076.84	4,933.28
15,026.74	11,737.01
14,979.65	16,828.54
17,372.83	8,891.12
76,832.57	90,604.83
156,947.20	149,386.93
6,579.73	6,934.24
24,180.30	22,425.14
29,135.33	16,836.36
19,226.24	17,143.06
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\$ 667,785.93	\$ 596,960.40





**North American Services**

Year                      Year  
1949                      1948

**Atlantic Services**

Year                      Year  
1949                      1948

**5900 FLIGHT EQUIPMENT DEPRECIATION**

\$1,544,890.73	\$1,370,951.01	75	Aircraft.....	\$ 582,100.18	\$ 669,417.96
393,724.08	265,045.52	76	Aircraft Engines.....	248,726.88	224,287.88
374,850.24	303,184.64	77	Aircraft Spare Parts.....	156,955.80	155,580.35
301,618.12	220,874.67	77	Aircraft Other Equipment.....	130,572.36	116,865.24

**6900 GROUND FACILITIES DEPRECIATION**

252,343.64	214,029.80	78	Ground Property and Equipment.....	109,013.80	78,255.67
<u>\$2,867,426.81</u>	<u>\$2,374,085.64</u>			<u>\$1,227,369.02</u>	<u>\$1,244,407.10</u>

**COMPARATIVE OPERATING STATISTICS**

for  
**THE DOMESTIC SERVICES**  
of

**TCA AND SIXTEEN MAJOR UNITED STATES AIRLINES**  
**YEARS 1949 and 1948**

	T.C.A.			16 U.S. Trunklines		
	1949	1948	% Inc. or Decrease	1949*	1948	% Inc. or Decrease
Revenue Miles Flown.....	16,364,733	15,270,649	7.16%	326,376,000	317,428,179	2.82%
Revenue Passengers Carried.....	648,574	532,555	21.79	14,332,000	12,375,083	15.81
Revenue Passenger Miles.....	310,699,767	249,575,544	24.49	6,688,700,000	5,851,846,000	14.30
Available Seat Miles.....	459,842,123	367,455,955	25.14	11,234,200,000	10,016,286,000	12.16
Revenue Passenger Load Factor.....	67.57%	67.92%	0.52	59.54%	58.42%	1.92
Aver. Psgr. Load Per Revenue Mile.....	18.99	16.34	16.22	20.49	18.44	11.12
Aver. Seats Available Per Revenue Mile.....	28.10	24.06	16.79	34.42	31.55	9.10
Aver. Passenger Journey—Miles.....	479.05	468.64	2.22	466.70	472.88	1.31
Express and Freight Ton Miles.....	1,938,108	1,412,982	37.20	121,698,000	100,206,694	21.45
Mail Ton Miles.....	3,403,810	2,294,088	48.37	40,972,000	37,509,922	9.23
Available Ton Miles.....	63,449,171	48,800,587	30.02	1,521,667,000	1,357,882,154	12.06
Revenue Ton Miles.....	35,843,949	28,195,275	27.13	815,523,000	706,247,233	15.47
Weight Load Factor.....	56.49%	57.78%	2.23	53.59%	52.01%	3.04

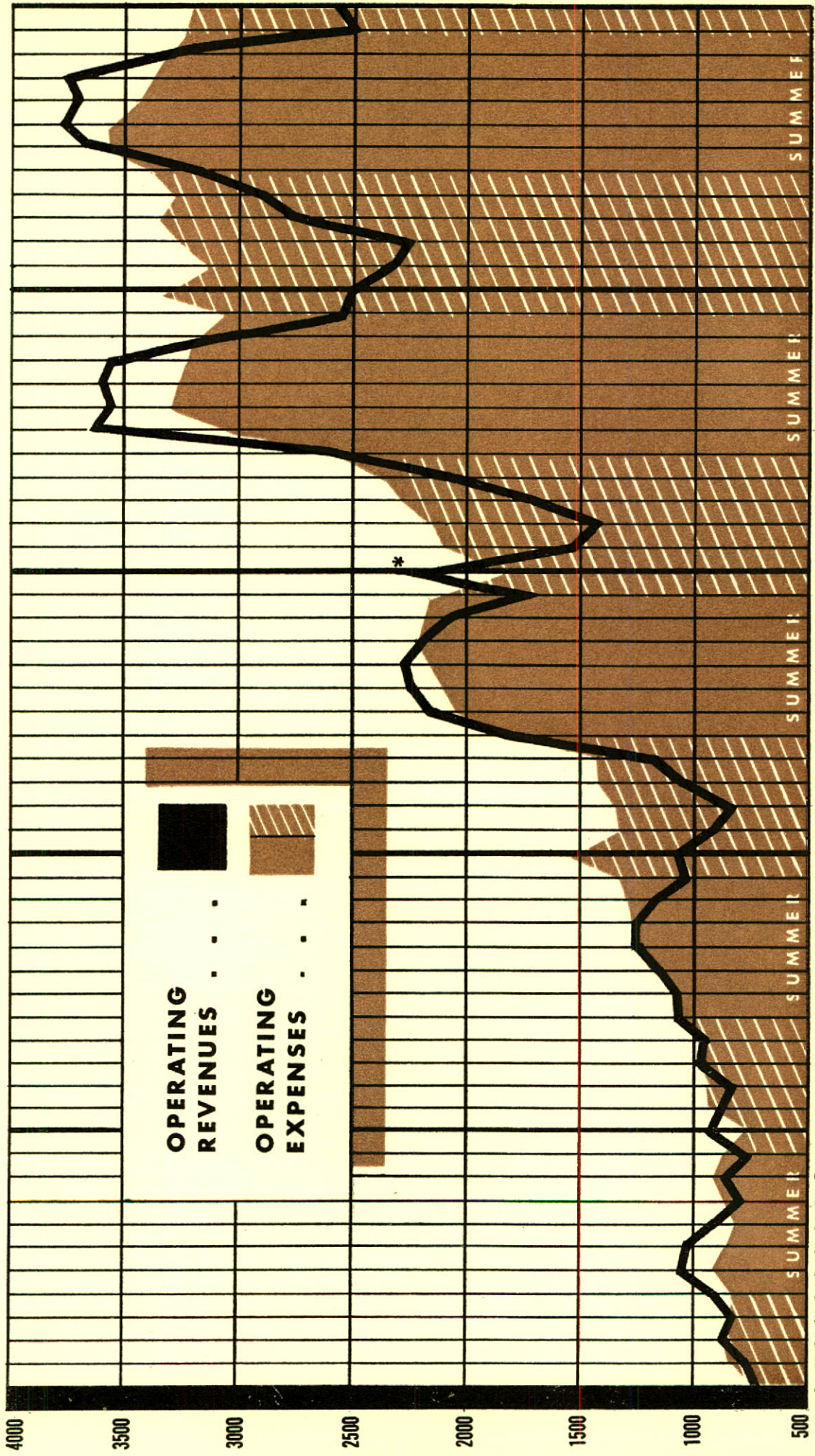
\*December Estimated.



# TCA OPERATING REVENUES AND EXPENSES

## ALL SERVICES—1945-1949 BY MONTHS

IN THOUSANDS OF DOLLARS



1945

1946

1947

1948

1949

\*RETROACTIVE MAIL PAY RECEIVED THIS MONTH



No.	Description
1	...
2	...
3	...
4	...
5	...
6	...
7	...





