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# *Annual Report*

## 1942

# TRANS - CANADA AIR LINES

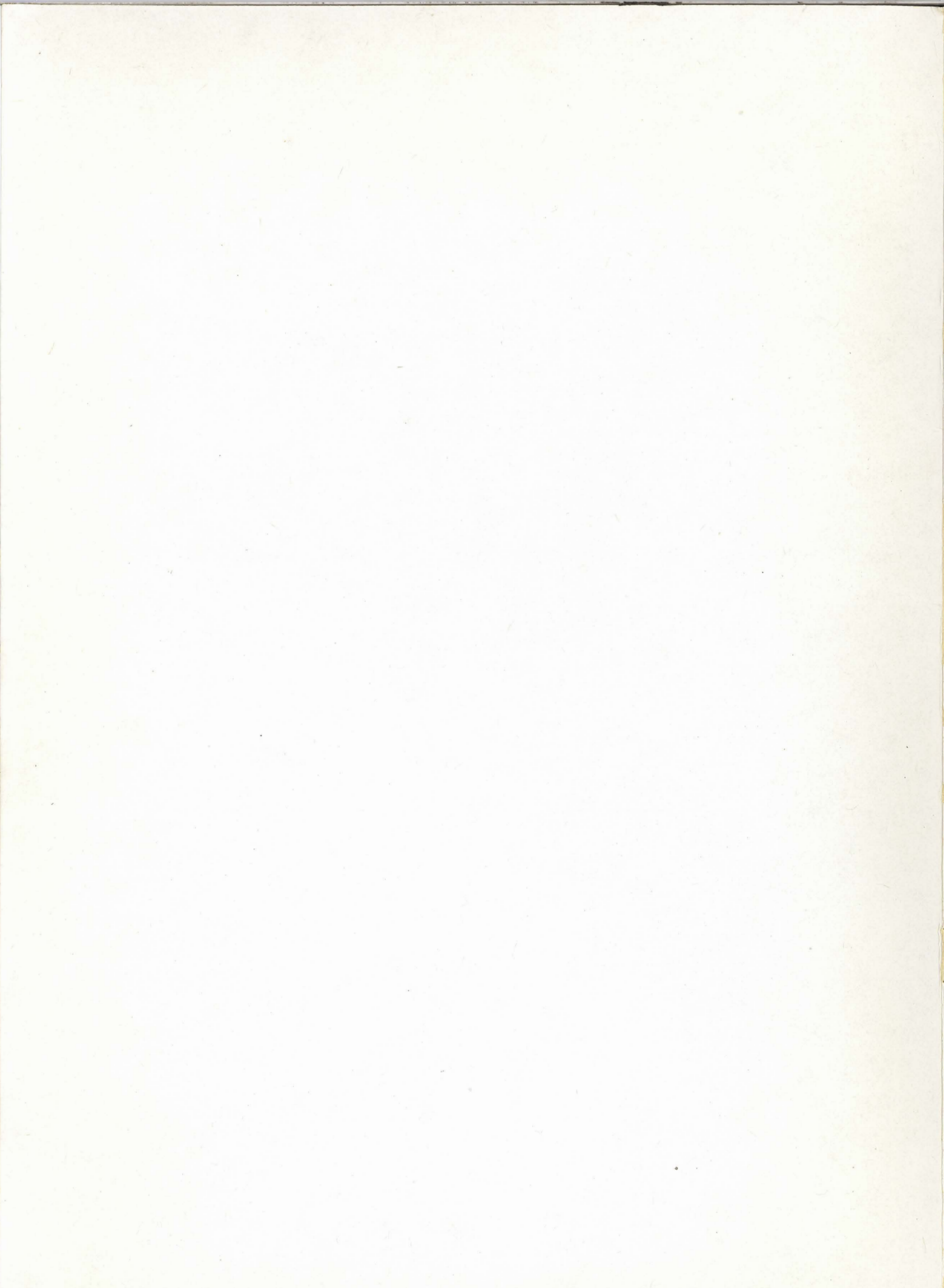


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A N N U A L  
R E P O R T

*of the*

T R A N S - C A N A D A A I R L I N E S



*for the year ended December 31, 1942*

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## BOARD OF DIRECTORS

### *Elected by Shareholders:*

H. J. SYMINGTON, K.C.....	Director, Canadian National Railways .....	Montreal
WILFRID GAGNON.....	Director, Canadian National Railways .....	Montreal
J. A. NORTHEY.....	Director, Canadian National Railways .....	Toronto
R. C. VAUGHAN.....	President, Canadian National Railways .....	Montreal

### *Appointed by Governor in Council:*

C. P. EDWARDS.....	Deputy Minister of Transport.....	Ottawa
J. A. WILSON.....	Director of Air Services, Department of Transport.....	Ottawa
GEO. HERRING.....	Chief Superintendent of Air and Land Mail Services, Post Office Department.....	Ottawa

## OFFICERS

President.....	H. J. SYMINGTON, K.C., Montreal
Vice-President.....	O. T. LARSON, Winnipeg
Assistant Vice-President.....	W. F. ENGLISH, Winnipeg
Operations Manager.....	R. F. GEORGE, Winnipeg
Assistant to Operations Manager.....	E. P. WELLS, Winnipeg
Operations Superintendent—Central Division.....	F. M. MCGREGOR, Toronto
Operations Superintendent—Western Division.....	E. W. STULL, Lethbridge
Operations Superintendent—Atlantic Division.....	W. W. FOWLER, Moncton
Superintendent of Flight Operations.....	B. A. RAWSON, Winnipeg
Superintendent of Maintenance and Engineering.....	J. T. BAIN, Winnipeg
Superintendent of Passenger Service.....	D. R. MACLAREN, Winnipeg
Superintendent of Communications.....	S. S. STEVENS, Winnipeg
Chief Pilot, Central Division.....	F. I. YOUNG, Toronto
Chief Pilot, Western Division.....	J. H. SANDGATHE, Lethbridge
Traffic Manager.....	W. J. DALBY, Winnipeg
Secretary.....	W. H. HOBBS, Montreal
Comptroller.....	T. H. COOPER, Montreal
Auditor.....	P. W. BALDWIN, Winnipeg
Treasurer.....	C. D. COWIE, Montreal
Chief Counsel.....	E. E. FAIRWEATHER, K.C., Montreal
Director of Public Relations.....	W. S. THOMPSON, Montreal
Architect.....	J. SCHOFIELD, Montreal
General Manager, Express Services.....	G. E. BELLEROSE, Montreal
Chief Medical Officer.....	DR. K. E. DOWD, Montreal



# TRANS-CANADA AIR LINES

Montreal, March 16, 1943.

To the Shareholders:

The Board of Directors submit herewith the Annual Report of Trans-Canada Air Lines for the calendar year 1942.

The year's operations gave a further demonstration of the increasing usefulness of the air line to the people of the Dominion. The volume of air mail, passenger and air express business again increased substantially and to meet the demand routes were extended and additional flights were provided. Covering Canada from sea to sea Trans-Canada Air Lines is an essential factor in national development and a powerful instrument in time of war.

## RESULT OF OPERATIONS

	1942	1941	Increase
Operating Revenues.....	\$7,337,318.60	\$5,807,794.03	\$1,529,524.57
Operating Expenses.....	6,628,399.32	5,306,136.00	1,322,263.32
	708,919.28	501,658.03	207,261.25
Income Charges and Interest.....	214,004.25	199,221.24	14,783.01
Surplus.....	\$ 494,915.03	\$ 302,436.79	\$ 192,478.24

In accordance with the provisions of the Trans-Canada Air Lines Act, 50% of the surplus will be applied in reduction of the mail rate for the fiscal year April 1, 1943, to March 31, 1944, this reduction amounting to 8% of the mail rate.

Operating revenues totalled \$7,337,319, an increase of \$1,529,525 or 26% over the preceding year, indicating the continued growth in the earning power of the Company. Passenger revenues increased \$717,024; mail revenues increased \$153,801; express revenues increased \$94,209; other revenues increased \$564,490. The average mail rate for the year was 45.57 cents per mile as compared with the average rate for the previous year of 48.16 cents per mile. Mail revenue contributed 44% of the total revenue as compared with 53% in 1941, 62% in 1940 and 70% in 1939.

Operating expenses totalled \$6,628,399, an increase of \$1,322,263 or 25% over the preceding year, reflecting the enlarged scale of the Company's services and the payment during the full year of the cost of living bonus. There is included a charge of \$100,000 to cover estimated liability in connection with the employees' pension plan, this charge relating to the year and also the prior period.

## ROUTES AND SERVICES

At December 31, 1942, Trans-Canada Air Lines was providing service—air mail, passenger and express—over routes totalling 4,857 miles between the Atlantic and the Pacific seaboard. This was an increase in route mileage of 833 miles as compared with December 31, 1941. The routes now operated are as follows:

Halifax—Vancouver (via Toronto) .....	Miles 3,255
Toronto—Windsor .....	206
Lethbridge—Edmonton .....	301
Toronto—New York .....	365
Moncton—St. John's, Nfld. ....	730
	4,857



The scheduled miles for T.C.A. aircraft were 22,670 per day, an increase of 3,906 miles as compared with December 31, 1941. The miles flown during 1942 amounted to 7,688,902 as compared with 7,274,815 in 1941, an increase of 414,087.

Under treaty arrangements between the Government of Canada and the Newfoundland Commission of Government, service between Moncton, N.B., Sydney, N.S., and St. John's, Newfoundland, was inaugurated by Trans-Canada Air Lines on May 1, 1942, on the basis of one round trip per day. From the inception, the service operated virtually to capacity, and on November 1, 1942, a second daily trip was added to meet traffic requirements. The Newfoundland-Canada service is an important one, providing much faster transportation for essential business.

To meet the growth in business to and from the Maritime Provinces, service between Montreal, Moncton and Halifax was increased from two to three round trips per day on November 1.

Airport facilities having become available, the Company plans, in conjunction with the Post Office authorities, to extend its line to Vancouver Island as soon as the necessary permit issues from the Board of Transport Commissioners. This will give Victoria and other Island communities direct air mail service to the central and eastern provinces. Passengers and express will also be carried.

The Company plans for a shorter route across the continent, crossing the Great Lakes to Winnipeg and thence to points of exit in Western Canada and the Yukon Territory.

Extension of the Company's service to the Yukon Territory and Alaska has been deferred, Alaska having been declared a military zone by the United States Government and all civil flying operations prohibited there.

An understanding has been reached between the Governments of Canada and the United States to maintain the existing agreement respecting international air services until after the close of the war, but either contracting party may re-open the negotiations following six months' notice.

The Company is giving consideration to, and undertaking research in connection with, plans for oceanic and international flying, but the formulation of detailed programmes must await developments.

Canada occupies an important position in the future of the air world. The shortest routes between North America and Europe and Asia cross the Dominion, and weather conditions are stable. Canada's national air line is destined to play an important part in world aviation.

### **Passenger Service:**

Revenue passengers numbered 104,446 in 1942, as compared with 85,154 in 1941, an increase of 23%. The average passenger journey was 551 miles, as compared with 520 miles in 1941. Revenue per passenger was \$29.35 and per passenger mile 5.32 cents, as compared with \$27.58 and 5.31 cents respectively in 1941.

In April 1942, the Dominion Government established a procedure under which space on the Company's flights may be requisitioned for ranking military officers and other persons travelling on business essential to national defence. The Company was instructed to classify passenger lists, giving preference to the military travelling on duty and to business men engaged in essential war work.

### **Air Mail Service:**

The increase in the volume of air mail carried by Trans-Canada which has marked each previous year's operations continued throughout 1942. During the year, 2,308,812 pounds of mail were carried, as compared with 1,389,614 pounds in 1941, an increase of 66%. The average mail load per mile increased from 230 pounds in 1941 to 321 pounds in

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1942, which is higher than the average loading on United States domestic air lines, according to the latest published figures. The revenue of the air line did not increase proportionately for the reason that the payments to the Company for the carriage of air mail are based not on poundage but on plane miles flown in mail service. Indeed, on a poundage basis the compensation received by the Company is steadily decreasing. Mail revenue per pound mile in 1940 was 3.2 mills, in 1941 2.1 mills and in 1942 1.4 mills.

#### **Air Express Service:**

For urgent war industry shipments there was instituted a system whereby space on the Company's aircraft may be requisitioned through the Government. Military shipments and the needs of war industry were the principal factors in an increase of 109% in the volume of air express handled: 362,837 pounds in 1942 as compared with 173,192 pounds in 1941.

#### **Airway Facilities:**

A continuing programme of improvements to runways, field facilities, airport lighting and navigational aids was maintained throughout the year by the Department of Transport. The operations of the weather reporting service of the Meteorological Branch of the Department were extended and a number of new observation and reporting centres established.

### **PROPERTY AND EQUIPMENT**

The Company's plant and equipment have been well maintained and are in good condition.

The flight equipment of the Company as at December 31, 1942, consisted of:

- 11 Lockheed 14-08 aircraft, equipped with two Pratt and Whitney Twin-row Wasp engines each of 1200 horsepower.
- 1 Lockheed 14H aircraft, equipped with two Pratt and Whitney Hornet engines each of 850 horsepower.
- 12 Lockheed Lodestar aircraft, equipped with two Pratt and Whitney Twin-row Wasp engines each of 1200 horsepower.

To provide equipment for the Newfoundland service and the increased schedules to the Maritime Provinces, and to replace aircraft requisitioned by the Government, six additional Lodestar aircraft were acquired in the last half of the year and are now in service.

The Lockheed 14H aircraft of the Company were improved by the installation of Twin-row Wasp engines, replacing Hornet engines. By December 31, the engine substitution had been completed in eleven aircraft and the change was made in the twelfth aircraft in February 1943.

Additions to property and equipment totalled \$2,040,166, and retirements amounted to \$1,267,237, resulting in a net increase in investment account of \$772,929, as follows:

#### **Additions**

Purchase of six Lockheed Lodestar aircraft complete with radio .....	\$1,144,599
Purchase of Pratt & Whitney Twin-row Wasp engines to replace Hornet engines— final payment .....	287,716
Value of eleven Lockheed 14-08 aircraft .....	539,868
Servicing and office equipment .....	35,601
Betterments to fixed property and miscellaneous .....	32,382
	\$2,040,166



**Retirements**

26 Hornet engines sold . . . . .	\$ 270,600
Cost of eleven Lockheed 14H aircraft, converted to 14-08's . . . . .	983,512
Servicing equipment and miscellaneous . . . . .	13,125
	<hr/>
	\$1,267,237
	<hr/>
Net increase in Property and Equipment account . . . . .	\$ 772,929

**BALANCE SHEET**

The paid in capital of the Company is now \$4,600,000, an increase during the year of \$850,000. The new capital was used to finance the purchase of six Lodestar aircraft. The self insurance reserve increased by \$110,990, and is now \$403,162. The depreciation reserve at December 31 stood at \$1,504,190.

**PERSONNEL**

The total personnel of the Company as at December 31, 1942, was 1,662, of whom 464, or approximately thirty per cent, were women. The policy of employing women and ex-service men was continued throughout the year. Included in the various activities in which women are now employed are those of agents, chauffeurs, cargo handlers, radio operators, stockkeepers and workers in the mechanical shops.

A high percentage of the male personnel of Trans-Canada Air Lines has enlisted in the armed forces, and manpower is one of the serious problems confronting the Company. Deferments under the National War Service Regulations have been requested only for such employees as are necessary to maintain safe operation.

Classes were conducted for the training of pilots, dispatchers, stewardesses, radio operators, passenger agents and shop workers, in order to retain the present high standard of efficiency under existing conditions.

A Joint Co-operative Committee, with management and employee representation, was formed at the Winnipeg repair base. This committee serves as a medium for employees to discuss working conditions with the management and to place before it suggestions for improving efficiency in plant operations and for increasing production, and is instrumental in establishing educational facilities for employees. It is proposed to establish similar committees at other points.

A contributory pension plan for Company employees was instituted. Participation in the plan is optional for employees in service prior to March 1, 1943, but compulsory for employees entering the service after that date. Employees in service prior to adoption of the plan are allowed the option of making retroactive payments to the fund. The plan permits contributions at from 2% to 10% of the employee's salary with the Company matching contributions up to 5%. The cost to the Company is estimated at between 3% and 3½% of the payroll.

**SPECIAL WAR ACTIVITIES**

T.C.A. is operating for the Department of Munitions and Supply a new engine and propeller overhaul plant adjacent to the Company's main shop at Winnipeg. The plant is working on the overhaul of military aircraft, engines, propellers and accessories, and production will be placed on a three-shift instead of its present two-shift basis as additional personnel is trained.

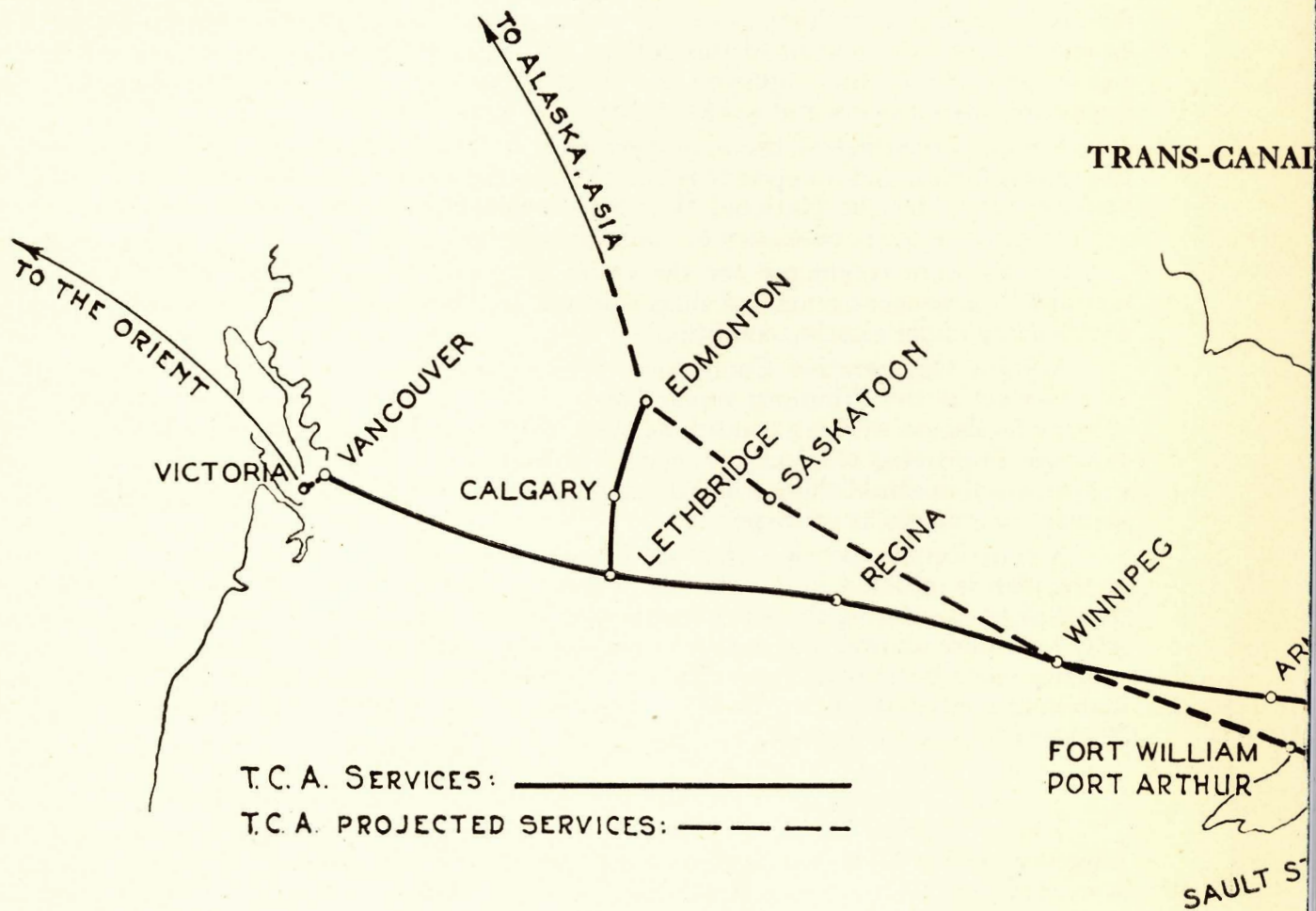


The instrument shop at Winnipeg is working twenty-four hours a day on the overhaul and repair of instruments for military aircraft. A considerable volume of work was undertaken during the year at Winnipeg for other war plants, and the facilities of the Company at various airports across Canada were extensively used for the servicing of military aircraft.

The co-operation of Trans-Canada Air Lines with British Overseas Airways Corporation in the North Atlantic transport operation was considerably extended during the year. At Montreal airport the maintenance and overhaul work on these overseas air transports is performed by Trans-Canada. Upwards of 200 of Trans-Canada's skilled mechanics are continuously employed at the Montreal airport on this work.

Three flight crews, each consisting of a captain, first officer, flight engineer, radio operator and navigator, were assigned to supplement the flight crews of British Overseas Airways Corporation, the navigators being seconded from the R.C.A.F. for duty with the Company. Supervisory personnel of the Company also participated in this trans-oceanic operation.

Radio coverage, dispatch and station service were furnished for the operations of the R.C.A.F. Communications Squadron.





The Company's engineering and flight staffs assisted the National Research Council and the R.C.A.F. in studies relating to icing conditions.

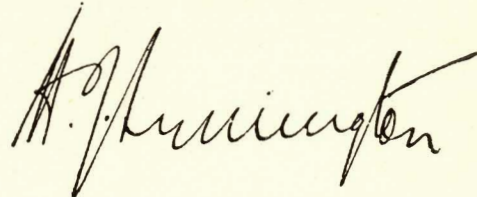
### OUTLOOK FOR 1943

Further increases in passenger, express and mail traffic are anticipated in 1943. There will also be development in the field of special war activities engaged in by the Company.

### THE STAFF

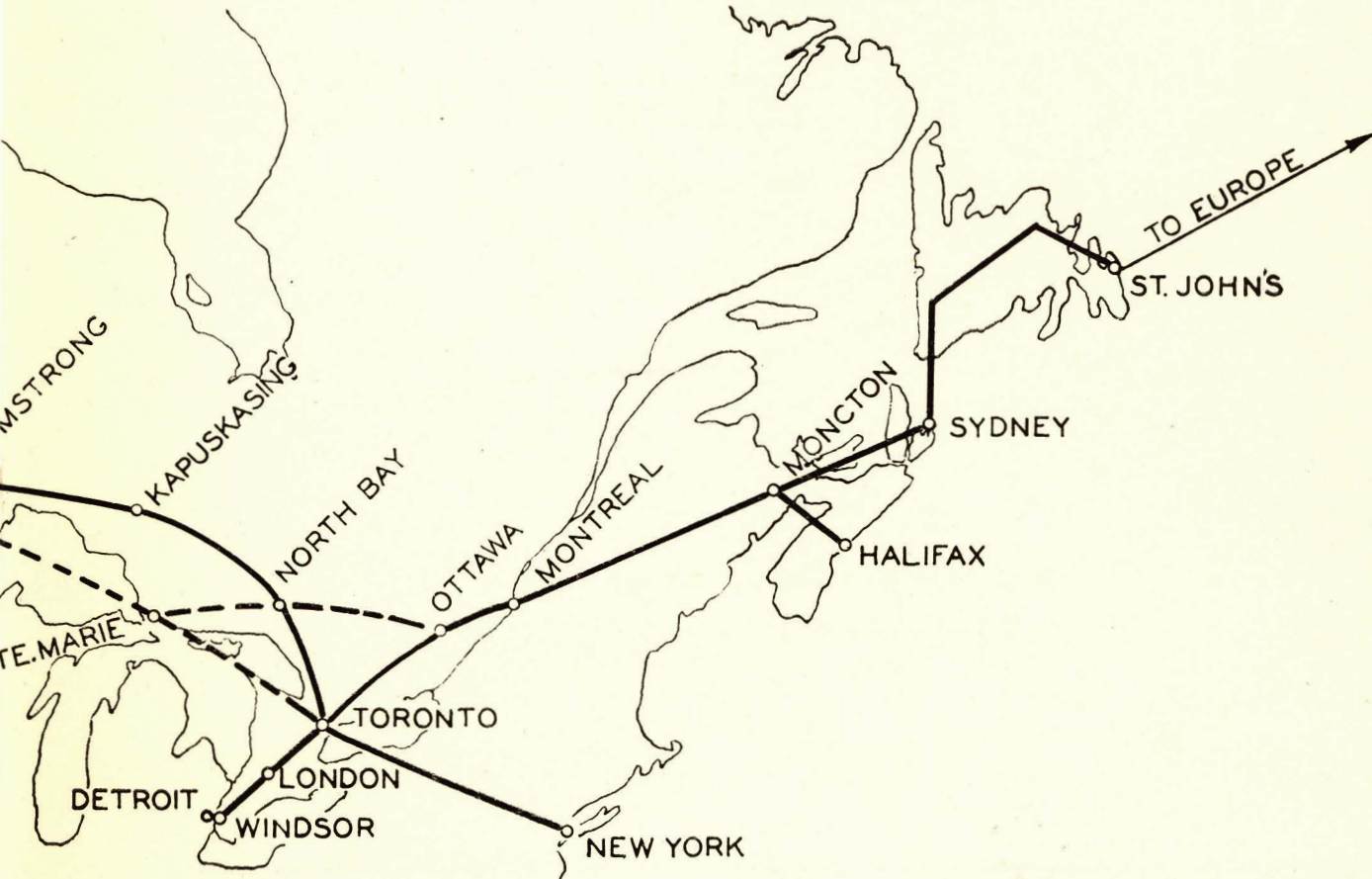
The Directors record their appreciation of the loyal and efficient services of the officers and employees of the Company, who in the fourth year of the war have made it possible for Trans-Canada to maintain its valuable contribution to the nation's war effort. They record their pride in the accomplishments of the 163 members of the staff who have enlisted in the armed forces, some of whom have unfortunately lost their lives and some of whom have been decorated for outstanding achievement.

For the Directors,



President.

### DA AIR LINES



## BALANCE SHEET AT

## ASSETS

CURRENT ASSETS:		
Cash .....	\$ 688,451.16	
Working Fund Advances .....	5,769.01	
Special Deposits .....	2,214.53	
Accounts Receivable .....	807,784.44	
Traffic Balances Receivable .....	453,076.10	
Balances Receivable from Agents .....	24,091.59	
Materials and Supplies .....	826,140.51	
Other Current Assets .....	142,537.07	\$2,950,064.41
		<hr/>
INVESTMENT IN AFFILIATED COMPANIES .....		2,250.00
PREPAYMENTS—INSURANCE .....		33,957.64
CAPITAL ASSETS:		
Property and Equipment .....	\$5,883,683.48	
Less Accrued Depreciation .....	1,504,189.83	4,379,493.65
		<hr/>
		<u>\$7,365,765.70</u>

## CERTIFICATE

We have examined the books and records of the Trans-Canada Air Lines for above Balance Sheet is properly drawn up so as to exhibit a true and correct view Income Account for the year ended the 31st. December, 1942, is correctly stated.

16th. March, 1943.



31st. DECEMBER, 1942.

		LIABILITIES	
CURRENT LIABILITIES:			
Accounts Payable.....	\$ 685,459.41		
Traffic Balances Payable.....	47,193.13		
Salaries and Wages.....	99,931.46		
Other Liabilities.....	163,705.13	\$ 996,289.13	
RESERVES:			
Self Insurance.....	\$ 403,161.60		
Operating.....	29,700.00	432,861.60	
CAPITAL STOCK:			
Common Stock Subscribed—Par Value.....	\$5,000,000.00		
Less Uncalled Subscriptions to Common Stock.....	400,000.00	4,600,000.00	
SURPLUS:			
Balance at 1st. January, 1942.....	\$ 841,699.94		
Surplus for year 1942.....	494,915.03	1,336,614.97	
		<u>\$7,365,765.70</u>	

T. H. COOPER,  
Comptroller.

**OF AUDITORS**

the year ended the 31st. December, 1942, and we certify that, in our opinion, the  
of the affairs of the Air Lines as at the 31st. December, 1942, and that the relative

GEORGE A. TOUCHE & CO.,  
Chartered Accountants.



## INCOME ACCOUNT

	Year 1942	Year 1941
<b>GROSS REVENUE:</b>		
Passenger.....	\$3,065,452.96	\$2,348,428.46
Mail.....	3,211,921.74	3,058,120.95
Express.....	173,020.25	78,811.56
Excess Baggage.....	29,460.29	18,341.12
Incidental Services.....	857,463.36	304,091.94
Total.....	\$7,337,318.60	\$5,807,794.03
<b>OPERATING EXPENSES:</b>		
Aircraft—	1942	1941
Operation and Maintenance.....	\$3,412,048.39	\$3,011,315.13
Depreciation.....	505,763.74	567,953.87
Ground Facilities—		
Operation and Maintenance.....	\$1,397,072.81	\$1,029,651.13
Depreciation.....	133,893.37	140,571.12
Incidental Services.....	599,512.32	155,488.20
Traffic and General Administration.....	545,517.88	394,260.97
Tax Accruals.....	34,590.81	6,895.58
Exchange, etc.....	13,270.25	11,721.24
Interest on Capital Invested.....	200,734.00	187,500.00
Total.....	\$6,842,403.57	\$5,505,357.24
Surplus.....	\$ 494,915.03	\$ 302,436.79

## STATISTICAL DATA

	Year 1942	Year 1941
Route Mileage Operated.....	4,857	4,024
Plane Miles Flown—Revenue.....	7,172,130	6,384,651
Mail Revenue Miles Flown.....	7,085,923	6,243,806
Plane Miles Flown—Non Revenue.....	516,772	890,164
Revenue Passengers Carried.....	104,446	85,154
Percentage of Passenger Occupancy.....	74	67
Average Passenger Journey—Miles.....	551	520
Air Mail Carried—Pounds.....	2,308,812	1,389,614
Express Carried—Pounds.....	362,837	173,192
Excess Baggage Carried—Pounds.....	175,158	112,924

Since the inception of operations the company has flown a total of 22,235,865 plane miles in revenue service and a total of 143,526,358 passenger miles.



## CANADA'S NATIONAL AIR SERVICE

### Five Years of Development

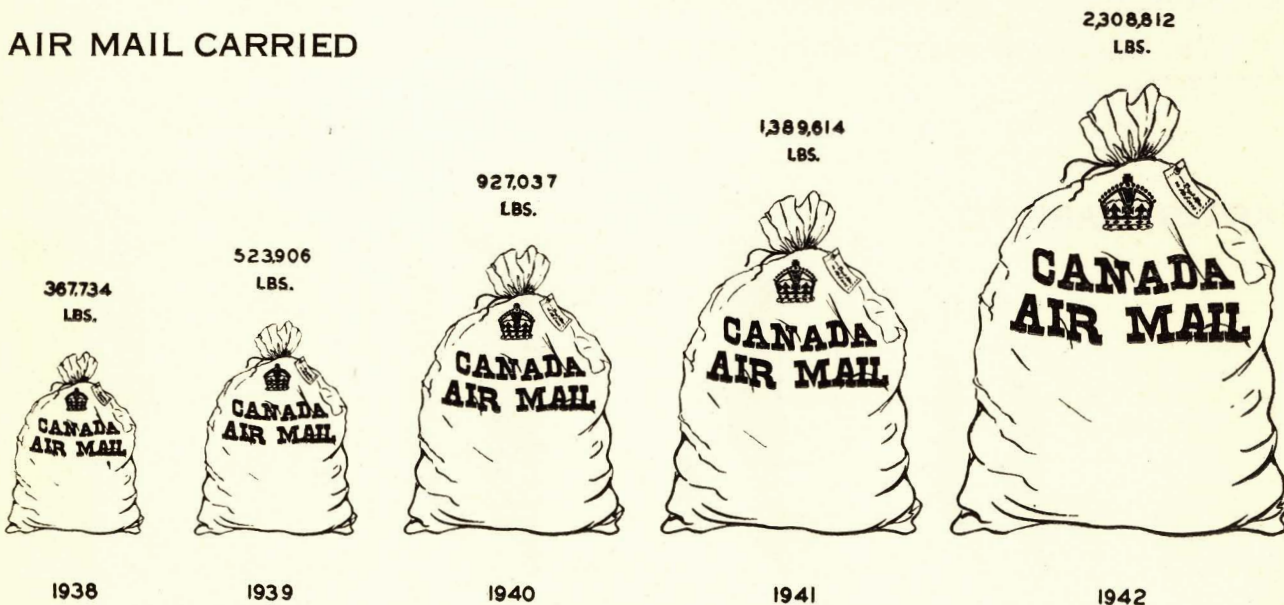
Trans-Canada Air Lines grew out of the need for a swift, modern system of transportation between communities scattered across an area of more than three thousand miles, out of a vision of a more closely integrated nation and a nation playing an increasingly important part in the affairs of the world. Scarcely had T.C.A. begun transcontinental operations than Canada entered the war and the air line assumed a new additional importance.

Incorporated by Act of Parliament in the spring of 1937, Canada's national air service was designed to operate over an airway—airports, fields, radio range system, meteorological service—which was being built up by or with the assistance of the Dominion Government. Under the provisions of the legislation, the Canadian National Railways holds the capital stock of the Company and provides many essential services.

For the efficient operation of its lines Trans-Canada has created at Winnipeg one of the most complete aircraft engineering and maintenance shops on the continent, has developed a dispatch and communications system especially suited to this swift form of transport, a passenger service system to provide for the comfort and well-being of its patrons, traffic offices in the principal centres of population, and has trained flight and other skilled personnel in the highest standards of modern air line practice. Whereas in 1937 the Dominion had no extended "on the beam" instrument flying, Trans-Canada has today more than 100 captains and first officers at the controls of its planes, all of whom have met the exacting tests which Trans-Canada has instituted. The training of personnel for the various branches is carried on continuously by T.C.A.—shop force and flight crews, radio technicians, airport and station staffs, traffic representatives and stewardesses, etc. Trans-Canada is, in great measure, a Canadian civilian university of the air.

T.C.A. began in a small way, with a commercial operation over a route 122 miles long between Vancouver and Seattle. This went into effect in September 1937. Within the succeeding five years, the air line grew until its route mileage increased to 4,857 miles in 1942.

### AIR MAIL CARRIED





In 1938, when the first limited mail and express service across Canada began operation, the revenue miles flown amounted to 1,122,179. On the basis of present operations, revenue miles flown are more than 8,250,000 per annum.

Air mail volume was six times greater in 1942 than in 1938; air express was nearly fifty times greater; more than fifty times as many passengers were carried.

Trans-Canada now has 24 twin-engined Lockheed aircraft with the latest type Pratt & Whitney Twin-row Wasp engines.

It provides two transcontinental round trips daily between Halifax and Vancouver, two round trips between Moncton, Sydney and Newfoundland, two between Toronto and New York, two between Toronto, London and Windsor (with connections for Chicago), two between Lethbridge, Calgary and Edmonton, additional trips between Toronto, Ottawa, Montreal, Moncton and Halifax.

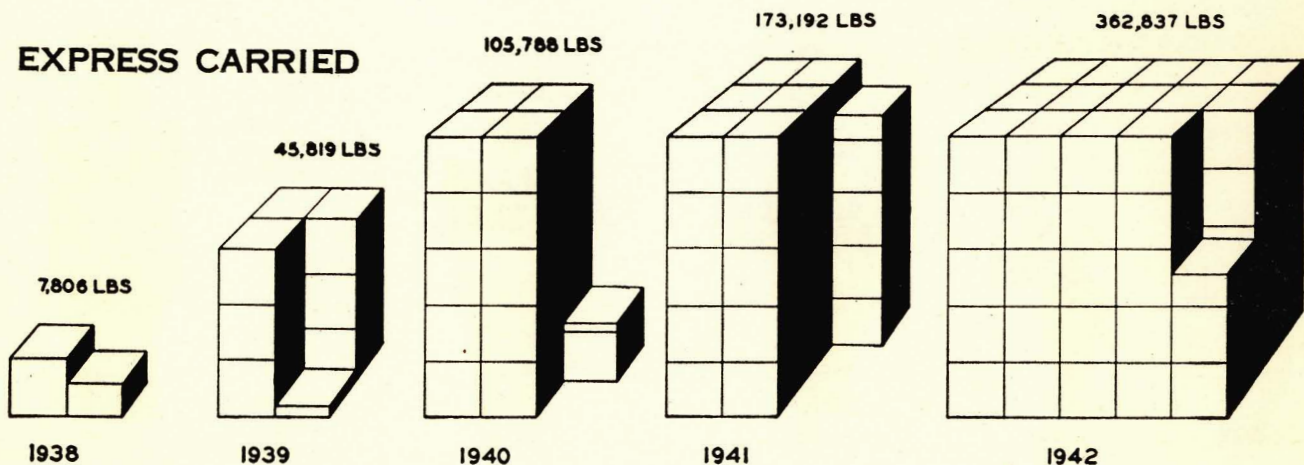
Besides maintaining swift passenger, air mail and express service, which is of strategic importance to Canada in war and peace, T.C.A. is fighting on the home front in many other ways.

T.C.A. ground crews overhaul and maintain the trans-oceanic transports operating between Canada and Great Britain and T.C.A. crews participate in the flights. Trans-Canada's association with trans-Atlantic flying began with the first North Atlantic trial flights six years ago, T.C.A. handling the Canadian arrangements for Imperial Airways (now British Overseas Airways Corporation).

In addition to engaging a considerable number of employees at Montreal in connection with trans-Atlantic flights, war work has brought an increase in T.C.A. shop forces at Winnipeg of approximately 40 per cent. Many of the new employees are women, replacing men who have been granted leave of absence to go on active service. Thousands of instruments and accessories are overhauled by T.C.A. for the Royal Canadian Air Force, the Royal Air Force, the British Overseas Airways Corporation and the Commonwealth Air Training Plan; engines are overhauled and propellers reconditioned; tools are manufactured; annealing and other work is being done for aircraft manufacturers in war industry; and T.C.A. has assisted in important experiments for the National Research Council.

One hundred and sixty-three employees of Trans-Canada Air Lines have enlisted in the Navy, the Army and the Air Force, as pilots, navigators, observers, technicians, etc.

The following is a brief year-by-year summary of the developments during the past five years:





## 1938

When the year opened, T.C.A. had 71 employees and five Lockheed Electras, carrying ten passengers, pilot and co-pilot. By December, the staff had increased to 332 and nine Lockheed Fourteens had been added to the fleet . . . During 1938, the Vancouver-Seattle operation was continued, and air mail and express shipments were carried between Montreal, Toronto and Vancouver, and between Lethbridge and Edmonton . . . Hangars were completed at Winnipeg and Lethbridge and another begun at Toronto . . . A repair base and overhaul shop was established at Winnipeg . . . Stations with complete radio facilities were opened.

## 1939

In February, mail and express service to Calgary was established . . . Regular air mail and express night schedules went into effect between Montreal, Toronto and Vancouver in March . . . A month later, passenger service began on this route and between Lethbridge, Calgary and Edmonton . . . Air mail service, on a daylight schedule, was extended in November to Moncton . . . The Electras were sold . . . Six Lockheed Fourteens were acquired, bringing the fleet up to fifteen . . . The Toronto hangar was completed and another erected at Montreal . . . Work was begun on a hangar at Moncton . . . Extensions to the Winnipeg hangar and shops were completed.

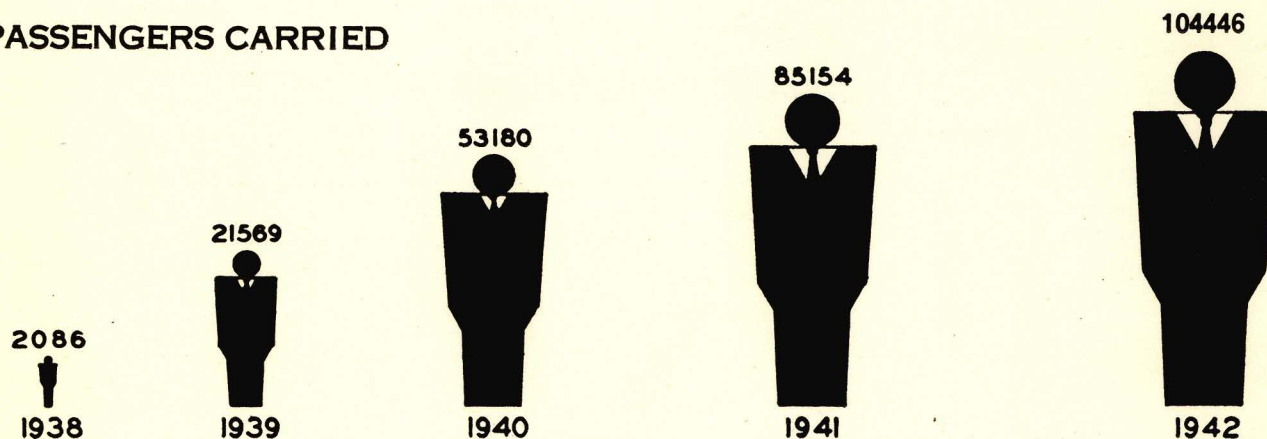
## 1940

Early in the year, air mail and passenger service to Moncton was in operation . . . Air mail and express were carried between Toronto, London and Windsor, beginning in July, and in August passenger service was established . . . A second daily flight went into effect on the transcontinental route and another daily trip was added between Toronto, Ottawa and Montreal . . . Six Lockheed Lodestars were purchased . . . The hangar at Moncton was opened . . . Shop facilities at Winnipeg were expanded to provide the additional accommodation required to take care of instrument repairs for military aircraft . . . Operation and traffic headquarters were transferred from Montreal to Winnipeg.

## 1941

Service was extended to Halifax in April and to New York, from Toronto, in May . . . Operation of the Vancouver-Seattle service was discontinued . . . The hangar was completed at Montreal's new airport at Dorval . . . Shops and facilities at Winnipeg and Toronto were further extended . . . Maintenance and overhaul of aircraft used in the Atlantic return ferry service was undertaken.

## PASSENGERS CARRIED





## 1942

Service was extended to Sydney, N.S., and St. John's, Newfoundland, in May . . . With the addition of six Lodestars, the fleet was increased to twenty-four . . . The Lockheed Fourteens were improved by installation of Twin-row Wasp engines of 1200 horsepower, replacing Hornet engines of 850 horsepower . . . New schedules brought into effect in November brought the daily mileage to 22,670, or 8,250,000 miles a year . . . T.C.A. crews participated in trans-Atlantic flights . . . The year saw the highest passenger load factor, and new records for volume of mail and express carried . . . T.C.A. undertook the operation of the new engine shop erected at Winnipeg by the Department of Munitions and Supply for the overhaul of military equipment.

**AIR MAIL**  
(in pounds)

1938.....	367,734
1939.....	523,906
1940.....	927,037
1941.....	1,389,614
1942.....	2,308,812
Total.....	5,517,103

**AIR EXPRESS**  
(in pounds)

1938.....	7,806
1939.....	45,819
1940.....	105,788
1941.....	173,192
1942.....	362,837
Total.....	695,442

**PASSENGERS**

1938.....	2,086
1939.....	21,569
1940.....	53,180
1941.....	85,154
1942.....	104,446
Total.....	266,435

**REVENUE MILES FLOWN**

1938.....	1,122,179
1939.....	2,760,090
1940.....	4,770,219
1941.....	6,384,651
1942.....	7,172,130
Total.....	22,209,269

