

IV. Canadian Air Traffic Patterns

A. Canadian Air Transport: Importance and Traffic Volumes

Air transportation is an important industry for Canada. In 1989 the two major Canadian air carriers generated over \$6.0 billion in revenues. The Canadian industry centres around Canada's two major carriers, Air Canada and Canadian Airlines International Ltd. (CAI), but smaller carriers account for additional revenues. In addition, air transportation generates Canadian jobs: the two major carriers alone account for some 40,000 jobs. Canadian airlines carried 13.1 million passengers in domestic scheduled services and 20.8 million passengers were carried by Canadian and foreign carriers on scheduled and charter services to and from Canada. Traffic growth is forecast to be moderate for North America, 0 to 5 percent per annum for the 1990s.²² This contrasts with growth rates of 5 to 10 percent per annum forecasted for the world overall.

The economic impact of air services to and from Canada is significant to the economy of the nation. Some communities have estimated the economic impact of air transport operations. For example, at Vancouver, it was estimated that the International airport accounted for:

- 2.7 percent of 1988 gross domestic product of the Province of British Columbia
- \$1.5 billion in wages and profits

²² Boeing Commercial Airplane Co. forecasts no growth for the U.S. market until 1994 with 5% p.a. from 1995-2005. (*Aviation Week and Space Technology*, 4 March 1991, p. 33.) McDonnell Douglas forecasts 5-6% p.a. for North America for the next two decades, versus 6.5% p.a. for the world overall. (*Aviation Week and Space Technology*, 18 March 1991, p. 81.)