

NORTH AMERICAN SERVICES		ATLANTIC SERVICES	
Year 1951	Year 1950	Year 1951	Year 1950
OPERATING REVENUES:			
\$ 28,666,505	\$ 24,183,501	Passenger \$ 8,245,384	\$ 6,027,010
5,741,000	5,400,000	Mail 1,484,149	1,177,428
1,688,982	1,473,254	Express and Cargo 954,228	822,331
224,771	194,573	Excess Baggage 47,942	41,463
73,690	118,921	Charter and Other 17,389	98,356
648,341	440,435	Incidental Services—Net 217,920	178,227
<u>\$ 37,043,289</u>	<u>\$ 31,810,684</u>	Total \$ 10,967,012	\$ 8,344,815
OPERATING EXPENSES			
\$ 7,637,455	\$ 6,846,269	Flight Operations \$ 2,387,265	\$ 2,161,773
5,214,768	4,443,180	Ground Operations 1,634,876	1,503,933
8,389,675	9,764,127	Maintenance 2,855,455	2,794,930
2,604,774	2,751,109	Depreciation 1,135,786	1,023,828
2,106,237	1,620,624	Passenger Service 569,979	432,383
4,004,745	3,324,217	Sales and Reservation Service 1,229,531	907,765
870,326	929,195	Advertising and Publicity 267,206	253,743
1,842,675	1,639,892	General and Administrative 585,367	508,033
<u>\$ 32,670,655</u>	<u>\$ 31,318,613</u>	Total \$ 10,665,456	\$ 9,586,388
\$ 4,372,634	\$ 492,071	Operating Profit or Loss \$ 301,547	\$ 1,241,573
28,681	2 202,233	Non-Operating Income—Net 4,543	27,937
<u>\$ 4,343,953</u>	<u>\$ 694,304</u>	\$ 297,004	\$ 1,269,510
500,227	493,098	Interest on Capital Invested 249,773	256,902
<u>\$ 3,843,726</u>	<u>\$ 201,206</u>	Surplus or Deficit \$ 47,231	\$ 1,526,412

The CHAIRMAN: Thank you, Mr. McGregor.

Will the members of the committee now turn to page 5 of the report, the Financial Review. Are there any questions on operating revenues?

Mr. FULTON: What was the deficit in non-operating income caused by?

Mr. MCGREGOR: It was caused largely by fluctuations in international exchange on currency.

The CHAIRMAN: Are there any further questions on Financial Review?  
Carried.

Mr. KNIGHT: Mr. Chairman, at this point I think there would be no harm in an expression of appreciation of the very successful report of Trans-Canada Air Lines for the past year; and while Mr. McGregor mentioned in his last paragraph a note of appreciation of the personnel of the air lines, he might very well include himself and the officers who are under him.

The CHAIRMAN: Thank you, Mr. Knight. I think that is very appropriate.

Mr. KNIGHT: They are to be commended for coming to this very successful conclusion. I would just like to say that.

Mr. MCGREGOR: Thank you very much.

The CHAIRMAN: Page 6, Expansion of Service. Are there any questions?

Mr. MACDONNELL: The table shows "Passenger miles flown, in 1951, 450,840,623; and Passenger miles available, 1951, 605,438,361." Does that mean that if the aircraft had been filled every time the figures would be equal?

Mr. MCGREGOR: Yes. Perhaps a better expression would have been "seat miles available."

Mr. FULTON: That differential is what? Is it average or lower than the average for air lines?