

*Productivity and Unit Costs*⁴⁰

- Labour productivity for CAI is within the range of the U.S. carriers, but below that of international carriers such as Japan Air Lines and Singapore International Airlines. See **Figure 6**.⁴¹ The high productivity of carriers such as JAL and SIA are probably due to the very long stage lengths which they fly across the Pacific. Air Canada's labour productivity is at the lower end of the range of the U.S. carriers.
- CAI's low labour costs per employee, coupled with its respectable labour productivity has resulted in it having labour costs per RPK, lower than all U.S. carriers, except non-union Continental. See **Figure 7**.
- Air Canada's lower labour compensation per employee is neutralized by its lower labour productivity resulting in labour costs per passenger kilometre higher than any of the U.S. carriers, except US Air.

⁴⁰ Cost data were converted to U.S. dollars and reported in U.S. dollars by the International Civil Aviation Organization. ICAO generally uses "the average of the twelve end-of-month International Monetary Fund mid-point market rates for the year reported." These exchange rates were used for all cost comparisons in this section.

⁴¹ The carrier abbreviations used in this and the following figures are: Japan Air Lines (JAL), Singapore International Airlines (SIA), Continental (CO), Northwest (NW), Cathay Pacific (CX), United Airlines (UA), Canadian Airlines International Ltd. (CAI), Delta Air Lines (DL), American Airlines (AA), Qantas (QL) British Airways (BA), Air Canada (AC), US Air (US), Air France (AF), Alitalia (AZ), Lufthansa (LH) and Air India (AI). CO, NW and DL are U.S. carriers. CX is a Hong Kong carrier, Qantas is Australian, KLM is from the Netherlands, and Lufthansa is from Germany. The nationality of the other carriers is obvious from their names.