THE PORT OF NEW YORK AUTHORITY

Thirty-Second Annual Report **1952**

She has come from the sea into the harbor, on tides and with winds which were made by God, to the pier, the wharf, the waiting terminal made by man.

THE

32nd

ANNUAL REPORT

OF

THE PORT OF NEW YORK AUTHORITY

Respectfully submitted to

THE HONORABLE ALFRED E. DRISCOLL, GOVERNOR,

AND THE LEGISLATURE OF THE STATE OF NEW JERSEY

THE HONORABLE THOMAS E. DEWEY, GOVERNOR,

AND THE LEGISLATURE OF THE STATE OF NEW YORK

By the Commissioners for the Year ended December 31, 1952

Commissioners — New Jersey

JOSEPH M. BYRNE JR., Vice-Chairman
DONALD V. LOWE
HORACE K. CORBIN
JOHN BORG
JOHN F. SLY
JESS HARRISON DAVIS

Commissioners — New York

HOWARD S. CULLMAN, Chairman
EUGENE F. MORAN
BAYARD F. POPE
S. SLOAN COLT
CHARLES S. HAMILTON, JR.
CHAS. H. SELLS

Honorable Alfred E. Driscoll
Governor of the State of New Jersey

"... I speak for the people of New Jersey when I say that we are proud of the work that we have accomplished through this bi-state agency which serves the citizens of our two States well; and I think has made a great contribution not only to the economy of our area but the well-being of our entire country.

"What I would like to stress perhaps more than the physical accomplishments ... is what has been accomplished in the way of the restoration of faith in our representative system of government, our working Federalism, the idea that local communities and state governments are something more than empty shells of their former power and sovereignty in this mid-century period in which we are living."

Honorable Thomas E. Dewey
Governor of the State of New York

"In its thirty-one years of service to the two States, the Port Authority, without burden to the general taxpayer, has provided almost half a billion dollars' worth of terminal and transportation facilities. Through its great public works, it has set an example for the administration of public business on a sound and efficient basis. Its prudent management has established a credit rating unique among government agencies.

". . . I know of no branch of Government whose officials have won greater public acclaim than the Commissioners of the Port Authority. It is important, too, that the Commissioners have selected for the staff of this agency the best available experts in their respective fields."

THE PORT OF NEW YORK AUTHORITY

32nd ANNUAL REPORT

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The Port Authority Role

NEARLY thirty-two years ago, on April 30, 1921, the Port Authority came into being as a new development in regional government. Created by Compact between the States of New York and New Jersey as their joint port development agency, the Port Authority was directed to accomplish for the New York-New Jersey harbor area what neither State had been able to accomplish separately—a long-range program to provide for the continuing promotion of the Port's commerce and the co-ordination and further development of necessary terminal and transportation facilities.

The Port Authority was the first public authority in the United States. Its destiny was placed in the hands of twelve commissioners, six appointed by the Governor of New Jersey and six by the Governor of New York. They were to serve the Port as a whole without compensation and to bring sound and prudent management to the affairs of the new Authority.

To assure that its operations would not be a burden on the general taxpayer, the States directed that the Port Authority support its program through development of its own revenues and by selling its own bonds, depending solely on its own credit, without recourse to the credit of either State and without power to tax or assess.

The Port Authority's area of responsibility was formally defined in the Compact as the Port District, a region of some 1,500 square miles, centering on the tip of lower Manhattan. It covers in about equal proportions those parts of the two States most immediately affected by the harbor and its activities, and includes all or parts of seventeen counties which, in turn, are made up of more than 200 cities and towns, ranging in size from small villages to the world's greatest metropolis.

In creating the Port Authority the two States directed it, among other things, to:

1. Study and make recommendations for the better conduct of commerce in the Port District and for the improvement of terminal and transportation facilities.

2. Go forward with the planning, financing, construction and operation of necessary public terminal and transportation facilities within the Port District.

In the following year, 1922, a "Comprehensive Plan for the Development of the Port of New York" was adopted by the Legislatures of both States, and the Port Authority was instructed to carry it forward to the extent that, in the words of the statutes, it was found "economically practicable" to do so.

Today, thirty-one years later, the Port Authority operates seventeen terminal and transportation facilities. Of the seventeen, six are interstate vehicular crossings, designed to facilitate the interstate movement of passengers and commerce across boundary rivers within the district—the Outerbridge Crossing, Goethals Bridge and Bayonne Bridge between Staten Island and New Jersey, and the three Hudson River crossings, the Holland and Lincoln Tunnels, and the George Washington Bridge, linking Manhattan and New Jersey.

Four are terminals designed as union or consolidated stations, three of these to provide for the more efficient handling of the district's freight, and the fourth to facilitate the intercity flow of bus traffic. They are the Union Railroad Freight Terminal, the New York and Newark Union Motor Truck Terminals and the Port Authority Bus Terminal.

The Port Authority also operates the Grain Terminal and Columbia Street Pier in Brooklyn, La Guardia and International Airports in New York City, Newark Airport and Port Newark, Teterboro Airport, and the Hoboken-Port Authority Piers.

Since it is as important that the Port keep and increase its business as it is that it handle this business efficiently, the Port Authority also conducts a vigilant and vigorous program for the promotion of the Port District's commerce and the protection of its rate structure.

The key to the Port Authority's progressively successful operation lies in its fundamental structure as a public corporation. While it is responsible to the two States because its program is wholly in the public interest, the agency has always endeavored to bring to its program the best techniques of successful private enterprise. It recognized, thirty years ago, that the public's enterprise could be run on sound business principles.

1952 SUMMARY REPORT

THE Commissioners of The Port of New York Authority are gratified to report that 1952 has been a year of significant progress in our program for the physical and commercial development of the Port of New Jersey and New York, conducted under the general directives of the Port Treaty and the Comprehensive Plan. Two important new public works were begun during the year—the construction of a much-needed Third Tube for the Lincoln Tunnel, and the modernization of the long-neglected Hoboken piers.

During the year agreement was reached with the City of New York on outstanding issues relating to the Third Tube, and the City approved the tube's street connections in Manhattan. On September 25, therefore, we were able to break ground for the actual construction of the Third Tube under a schedule calling for its completion in 1957. Costing $90,000,000 of which $40,000,000 will be spent on new approaches and connections on both sides of the Hudson, the Third Tube will add two lanes to the existing four lanes and will double the peak-hour capacity of the Lincoln Tunnel. It will increase its annual capacity by 50 per cent.

The Hoboken-Port Authority Piers bring to seventeen the number of facilities operated and developed by the Port Authority in the course of its efforts to work out the difficult terminal and transportation problems of the crowded Port District, the major transportation crossroads of the world, workshop and home for 12,000,000 people.

Restoration and new development of the Hoboken piers was assured when on September 24 the United States Maritime Administration, the City of Hoboken, and the Port Authority signed a lease agreement that culminated twenty-three years of intermittent negotiation. The project represents a major step forward in the general physical improvement of the Port. We will spend $15,000,000 and possibly $22,000,000 in the construction in Hoboken of two, or if required, three great piers that will offer the most modern facilities for marine terminal efficiency.

Our other marine terminals, Port Newark, the Grain

Terminal and Columbia Street Pier, had an excellent year. Employment and construction reached new highs and it was a record year for revenues at Port Newark, a result of the vigorous development and trade promotion program undertaken by the Port Authority for that facility. Our program at Port Newark, in money spent or committed, approximates $20,000,000 today.

The record at the airports is also encouraging. The four air terminals handled a volume of traffic we had not expected before 1960. This record in operations was accompanied by a year of large-scale construction, planned and executed in anticipation of the continuing rapid growth of air passenger and cargo traffic. A great deal was done at New York International Airport, partially to meet the shift of traffic occasioned by the closing of Newark Airport. But the most essential permanent improvements were accomplished and are continuing at Newark Airport. The commissioning of Instrument Runway 4-22, one of the world's best and safest, marked resumption of normal operations of this Airport on November 15. A preferential-use system of runway operation, designed to divert flights from heavily populated areas, is in effect here as at New York International and La Guardia Airports.

A new passenger terminal at Newark Airport costing $8,500,000 is scheduled for opening in July, 1953.

By the end of the year the Port Authority had invested $89,407,000 in the four airports it operates.

For our land terminals, the union stations built to speed the flow of freight and passengers in the Port District, the year was also quite satisfactory. The Port Authority Bus Terminal continued to outpace expectations. Ninety per cent of intercity bus passengers were using it by the close of its second year.

The completion of negotiations for the operation of the New York Union Motor Truck Terminal by a terminal corporation formed by large, over-the-road trucking concerns was a significant accomplishment. Beginning early in 1953, these companies will provide consolidated service out of the terminal to and from at least twenty-eight states.

We have had a successful year in trade promotion and in preserving and enhancing the Port's competitive position. New York railroads pledged removal of extra charges for heavy-lifts, long peculiar to this harbor and highly disadvantageous, from lifts up to and including twenty-five tons, and long strides were taken in correcting postwar enlargement of the unfavorable freight-rate differentials on most class- and commodity-rated freight moving between New York and the Midwest.

A reorganization of the Port Authority staff was accomplished with the objectives of clarifying and strengthening departmental responsibilities and of permitting a greater delegation of authority. These modifications and adjustments in our organization are in keeping with sound principles of corporate organization.

Our financial position continues to be good. Strength and simplicity were added to our financial structure with the authorization and sale of the new Consolidated Bond, a multi-purpose security designed to finance all future Port Authority construction.

Once more, we should like to express our appreciation of the confidence manifested in us by the people who have invested their money in our bonds to make it possible for us to carry out the directives of the two Legislatures. We cannot overestimate their invaluable contribution to the people of the Port District over the years. We have been particularly fortunate to have the services of an outstanding career staff under the able and tireless direction of our Executive Director, Austin J. Tobin, and our hard-working department heads and other supervisory personnel.

We should like to express to their Excellencies, the Governors of New York and New Jersey, and to the honorable members of the Legislatures our renewed appreciation of their support and cooperation. The Commissioners of the Port Authority, as well as all the people in the Port District, owe to the Governors and the members of the Legislatures of the States of New Jersey and New York the deepest gratitude for their guidance, support and cooperation.

VEHICULAR CROSSINGS

SUMMARY

A TOTAL of 73,344,791 vehicles used the Port Authority's six crossings in 1952, an increase of 5,642,539 vehicles or 8.3 per cent over 1951. The heavy uptrend, so persistent since World War II, was thus maintained, although the opening of the New Jersey Turnpike shifted trans-Hudson traffic northward to the George Washington Bridge and Lincoln Tunnel and away from the Holland Tunnel.

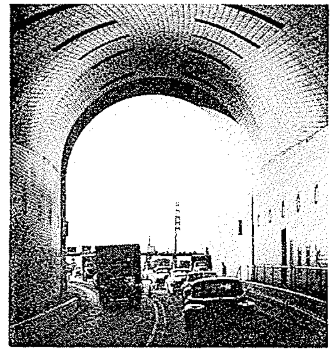
The George Washington Bridge and Lincoln Tunnel showed increases over 1951, 18.8 per cent and 12.1 per cent respectively. For the first time since the wartime gas shortage in 1943, Holland Tunnel traffic declined—by 4.3 per cent—and at the same time the Staten Island crossings registered a slight decrease.

To cope with this traffic, the Port Authority this year was able to begin construction of a Third Tube for the over-burdened Lincoln Tunnel. Upon its completion, scheduled for 1957, the Third Tube will double the peak-hour capacity of the Lincoln Tunnel in one direction and will boost the Tunnel's annual capacity by an estimated 10,000,000 vehicles.

Approach systems received much attention during the year. Beginning with the completion in May of the $9,000,000 179th Street approach tunnel to carry traffic between the George Washington Bridge and the east side of Manhattan, improvements in progress on December 31 included construction of a $1,300,000 ramp from the Bridge to the Henry Hudson Parkway for southbound traffic, a project jointly financed by the Port Authority and the Triborough Bridge and Tunnel Authority, and a $4,225,000 connection between the Bridge and the new Palisades Interstate Parkway, on the New Jersey side.

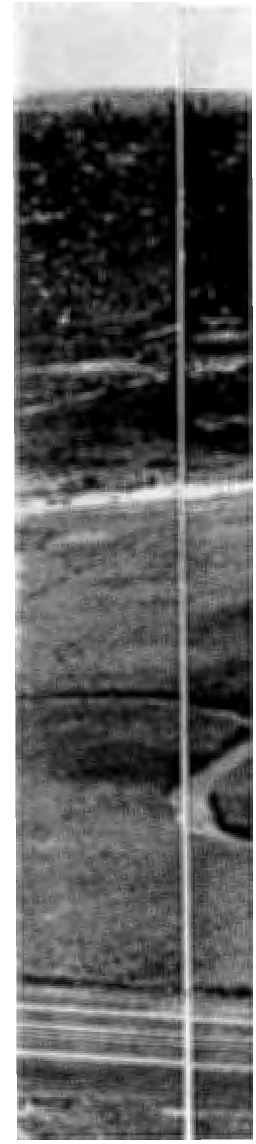
A direct connection between the approaches to the Lincoln Tunnel and the New Jersey Turnpike, costing $3,700,000, was completed in February.

Chairman Howard S. Cullman speaks at ground-breaking ceremonies for the Lincoln Tunnel Third Tube.



The Third Tube is designed to eliminate traffic backups like the one shown at top left, so that traffic will flow more smoothly, as in the picture at top right. When it is well under way, construction of the Third Tube will appear as in the photograph, left, taken in 1936 during construction of the present South Tube of the Lincoln Tunnel.

Begun in 1951 and timed for the opening of the New Jersey Turnpike, a direct connection with the Lincoln Tunnel was completed by the Port Authority in February 1952. It is shown in the air view of the Jersey meadows, right.



Ground Breaking Launches Third Tube

ON September 25, 1952, a year and a half after the Port Authority's announcement that it was ready to start work, construction of the Third Tube for the Lincoln Tunnel was begun at ground-breaking ceremonies in Thirty-eighth Street just east of Twelfth Avenue, site of the tube's New York ventilation building. Participating State, City and Port Authority officials swung chrome-plated shovels and pickaxes briefly at loosened paving blocks while 400 luncheon guests on the Astor Roof watched by television.

The five-year task of producing a traffic facility so badly needed even today was thus begun, eighteen months after the Port Authority had announced its readiness to make this great contribution toward unravelling the interstate traffic snarl in the Port District. The new tube's completion, in 1957 at the earliest, will help eliminate the intolerable congestion of tunnel-bound vehicles which, during the morning and evening rush hours, blocks traffic on New Jersey approach highways and Manhattan streets.

The Third Tube will double the Tunnel's capacity in one direction during rush hours, and increase it annually by 50 per cent, through a system of switching the Middle (present South) Tube to eastbound traffic in the morning and westbound in the evening. The Third (future South) Tube will carry only eastbound traffic, and the North Tube only westbound. On off-peak hours

the reversible Middle Tube's two lanes may be used for two-way travel.

City Approves on July 17

While approval from the Governors of New York and New Jersey for building the new tube was promptly forthcoming in the Spring of 1951, sanction from New York City and Weehawken for its connection with their respective city streets was not. Under the statutes governing the Port Authority's construction of vehicular crossings, connections between such crossings and municipal streets and state highways must first be approved by any municipalities involved, as well as the Governors of New York and New Jersey. The Borough President of Manhattan, the New York City Department of Traffic, the press, and civic and commercial groups joined the two Governors in their endorsement. Official New York City approval, however, was withheld until July 17, 1952.

Under a compromise arrived at with the City of New York, the Port Authority will on request of the City build ramps to and from the West Side Highway at Thirtieth Street, and widen Thirtieth Street to 100 feet, provided the City acquires the necessary real estate, between Tenth and Twelfth Avenues, when Lincoln Tunnel traffic reaches 30,000,000 vehicles a year.

This compromise plan, it is estimated, will cost an additional $5,000,000, bringing the total price for the Third Tube to an estimated

Among those at the speakers' table for the Third Tube ground-breaking luncheon on the Astor Roof were, seated left to right, Joseph M. Byrne Jr., Vice-Chairman of the Port Authority; Mayor Vincent R. Impellitteri of New York City; Howard S. Cullman, Chairman of the Port Authority; Paul L. Troast, Chairman of the New Jersey Turnpike Authority, and standing, left to right, John F. Sly, Port Authority Commissioner; T. D. Parsons, Attorney General of the State of New Jersey; Ransford J. Abbott, New Jersey Highway Commissioner, and Jess Harrison Davis, Port Authority Commissioner. Mayor Impellitteri and Chairman Cullman are holding a Port Authority brochure describing the role the Third Tube will play in traffic relief.

$90,000,000, or roughly as much as the previous two Lincoln Tunnel tubes combined.

Approval of the Third Tube street connections in Weehawken at the New Jersey end of the Tunnel has been withheld by the Township pending the outcome of a study, being made by an outside firm of consulting engineers chosen by the Township of Weehawken, as to the adequacy of the new tube's connections with Weehawken city streets. The study is expected to be completed by the end of February, 1953.

The Third Tube's approaches alone will cost about $40,000,000. Included are plaza improvements on both sides of the Hudson, a new system of depressed highway connections in Manhattan from the tunnel portals at Thirty-eighth Street south to Thirtieth Street and, in New Jersey, the widening of the viaduct over Tonnelle Avenue from the present six lanes to eight lanes; the addition of a new westbound lane to the Weehawken ramps, and a new underpass between the New Jersey plaza and Weehawken streets.

The New Jersey plaza will be widened and the present Administration Building, now in the way of the widening operation, replaced by a larger one over on the easterly side of Hudson Boulevard East.

The Work Begins

Several construction contracts were awarded and the acquisition of the necessary land was begun in 1952. These contracts covered test borings on both sides of the river; construction for the New York ventilation shaft and steel bent section immediately east of the shaft; nuts and bolts for the cast iron ring segments which form the basic structure of the tube, and the ring segments themselves, which will be supplied by the Bethlehem Steel Company at a cost of about $10,600,000.

Delivery of the tunnel ring segments, 46,275 tons of them, will start in 1953 and be completed early in 1955.

Like the Holland Tunnel, which celebrated its twenty-fifth anniversary this year, and the present Lincoln Tunnel tubes, the under-river section of the Third Tube will be a tube of cast iron and cast steel, fashioned from 2,033 rings, each thirty-one feet in diameter, each built from fifteen segments weighing from 3,200 pounds to 3,500 pounds and all knit together with 1,192,000 nuts, bolts and washers.

Shield Method to be Used

Running from Thirty-eighth Street in Manhattan to a point under King's Bluff 130 feet south of the present South Tube in Weehawken, the new two-lane crossing will be driven by the shield method from the New Jersey to the New York side of the Hudson. The concrete lining, tilework, roadway and ceiling will be installed after the new tube's exterior is completed.

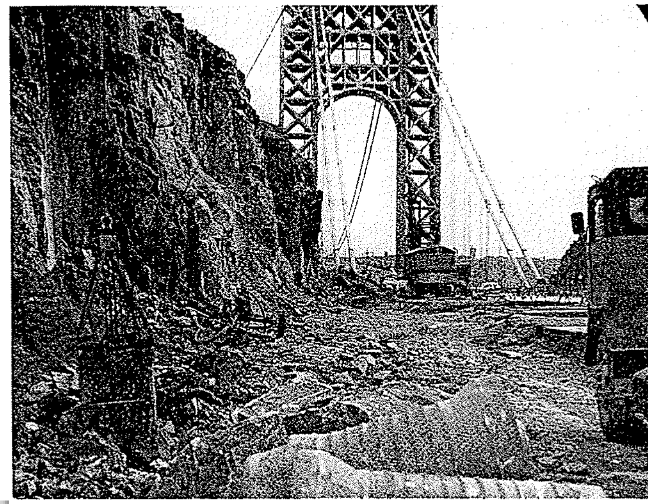
This project required the acquisition of approximately 7.86 acres and the demolition of more than 75 buildings in Manhattan. Efforts were made to acquire the property on a voluntary basis, and in several instances this was accomplished. The urgent necessity of progressing the Third Tube project, however, required that the needed property be acquired at the earliest possible time. We therefore filed a condemnation petition with the New York Supreme Court and on December 17, by court order, title of all the property necessary for the construction of the Third Tube and its connection in New York City was vested in the Port Authority.

Relocation of Tenants

The program will require the relocation of some 900 families, most of them in low- and middle-income groups and, in a good half of the cases, it involves cold water flats in five-story walk-ups. To ease and facilitate this program, the Board of Commissioners has authorized the payment of expenses to help tenant relocation. When residential tenants require the services of a real estate broker to find a new residence the Port Authority will pay them $100, redecorate the new apartment and pay the brokerage fee. Tenants who move unaided will receive a maximum of $200.

Old New York City Pier 78, lying in the path of the tube's construction, will be demolished and replaced by the Port Authority with a modern marginal wharf.

Rush-hour traffic backs up at the Holland Tunnel's New York approach. Although this facility's traffic dropped during the year because of the northward shift of traffic caused by the New Jersey Turnpike, peak-hour congestion still occurs at the Tunnel's approaches.



Improvements to Port Authority vehicular crossing approaches in progress at the year's end included the $4,225,000 construction of a connection between the George Washington Bridge and the new Palisades Interstate Parkway, above.
Demolition at the New York end of the Bridge preparatory to improving the approach system there is shown, left.
Traffic congestion on the Bridge's New York approaches was relieved in May, 1952 with the completion of the 179th Street Tunnel linking the Bridge and Manhattan's East Side. At far right, the New York Mayoral car breaks the Tunnel's ribbon at the East portal in opening ceremonies.
Influenced by the New Jersey Turnpike, traffic using the Goethals Bridge, near right, rose 14.2 per cent in 1952, while traffic over the Outerbridge Crossing at Perth Amboy dropped 12.3 per cent.

In New Jersey no relocation of tenants will be necessary, and only a relatively small amount of property, amounting to less than $50,000 of ratables, is required.

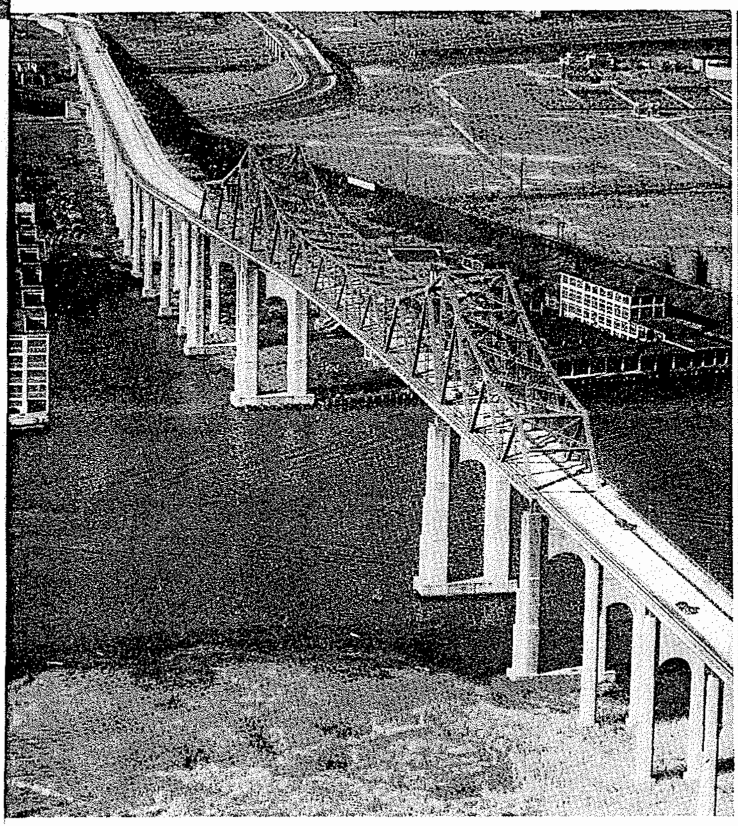
Pooled Revenues Make Program Possible

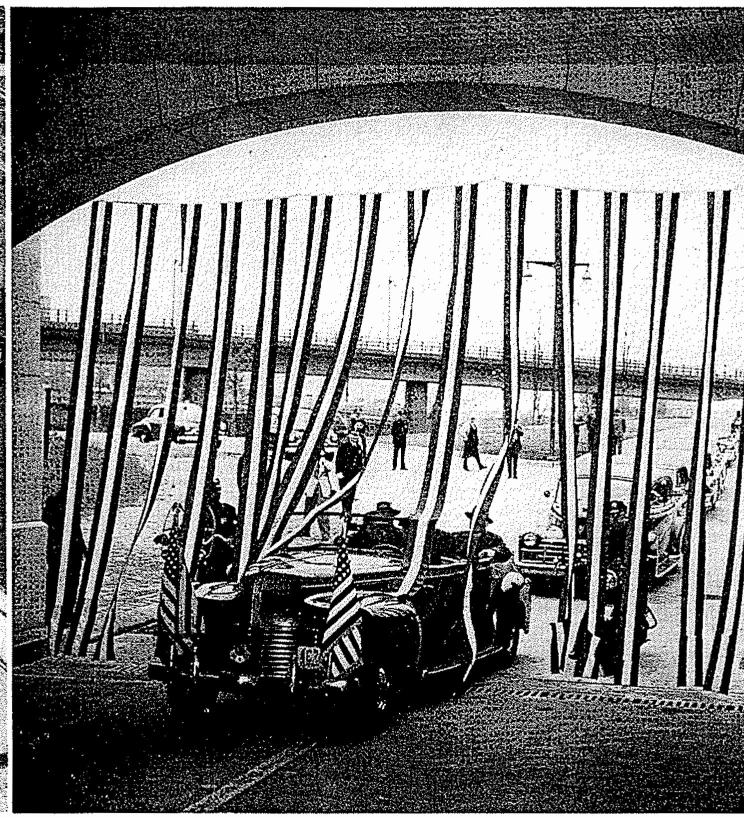
Initial funds for the Third Tube will come from the First Series of Consolidated Bonds, issued in December and due in 1982. The estimated $90,000,000 cost of the Third Tube is based on the 1952 construction dollar.

The added financial burden of building a single tube that will cost as much as the present Lincoln Tunnel, and the possible building of a fourth new Hudson River crossing that will cost more than twice that figure, is made possible only by the Port Authority's pooling of all facility revenues for the over-all development of the Port District as directed by the two Legislatures.

Stressing this point at the Third Tube groundbreaking ceremonies, Chairman Cullman said:

"Port Authority crossings have cost almost $245,000,000. Of this total, the construction of their approach systems in New York and New





Jersey has cost over $100,000,000.

"It is therefore with considerable pride that I say that these facilities have been and will continue to be provided by the Port Authority without cost to the general taxpayer, for Port Authority terminal and transportation facilities, through the general pooling of our revenues, are self-supporting.

"Pooled revenues and prudent management assure a credit that enables us to borrow money without recourse to the pocketbook of the general taxpayer."

Reduced Rates for Crossings

Over a quarter of Port Authority bridge and tunnel users enjoy reduced rates through the Port Authority's commutation and discount ticket programs. In 1952 the number of automobiles taking advantage of reduced rates at the George Washington Bridge, the Lincoln Tunnel and the Holland Tunnel were 28.6 per cent of all automobile traffic for weekdays and weekends, and 36.4 per cent for weekdays alone. For the Goethals and Bayonne Bridges, and the Outer-

TRAFFIC		Automobiles Number	Buses Number	Trucks Number	Total Vehicles Number
GEORGE WASHINGTON BRIDGE	1952	25,286,844	704,730	1,987,639	27,979,213
	1951	20,985,368	685,950	1,877,014	23,548,332
	1950	17,566,795	622,681	1,680,036	19,869,512
LINCOLN TUNNEL	1952	14,915,087	1,890,045	2,771,907	19,577,039
	1951	12,913,391	1,798,935	2,749,986	17,462,312
	1950	11,175,042	1,555,544	2,801,975	15,532,561
HOLLAND TUNNEL	1952	14,199,530	167,787	4,415,026	18,782,343
	1951	15,143,331	208,138	4,282,478	19,633,947
	1950	13,794,854	259,070	4,071,863	18,125,787
STATEN ISLAND BRIDGES	1952	6,134,601	79,212	792,383	7,006,196
	1951	6,152,414	78,387	826,860	7,057,661
	1950	5,170,362	80,542	746,510	5,997,414
ALL CROSSINGS	1952	60,536,062	2,841,774	9,966,955	73,344,791
	1951	55,194,504	2,771,410	9,736,338	67,702,252
	1950	47,707,053	2,517,837	9,300,384	59,525,274

bridge Crossing, the number of automobiles moving on reduced rates were 39.2 per cent for weekdays and weekends, and 50 per cent for weekdays alone.

A 23-cent commutation rate has been in effect on the Staten Island Bridges for more than twenty years, a 25-cent commutation rate for the Hudson River crossings was instituted in 1950, and a 40-cent rate for regular, noncommuting users went into use in September, 1951 on all facilities, when the sale of ten-dollar books, each good for two years, in addition to the year of sale, was begun.

The use of commutation tickets is steadily on the increase. In 1952 there were over 1,300,000 more commutation trips over Port Authority Hudson River crossings than in 1951.

Traffic Increases and Decreases

The unusually large increases in interstate traffic levels experienced during the postwar years continued unabated in 1952, when the six crossings carried an unprecedented flow of 73,344,791 automobiles, trucks and buses, 5,642,539 above 1951's 67,702,252.

New Jersey's famous Turnpike terminating, at its northern extremity, on the Jersey meadows just inland from the Lincoln Tunnel and George Washington Bridge, has made its mark on traffic over the Hudson. Chiefly, the effect of it has been a northward shifting of the growing volume of traffic in the Port District. The George Washington Bridge absorbed an increase of 4,430,881 vehicles, while the Lincoln Tunnel, steadily becoming more congested, handled an additional 2,114,727 during 1952. The Holland Tunnel fell off by 851,604 vehicles, its first trend reversal since World War II.

As a group the three Staten Island Bridges showed a slight decline, but varied individually. The Goethals Bridge showed a 14.2 per cent increase, Bayonne Bridge traffic declined by 3.6 per cent and the Outerbridge Crossing slipped 12.3 per cent, as a result of traffic diversion to the Goethals Bridge where there is a direct interchange with the New Jersey Turnpike.

In the face of the general trend in traffic, sharply up and giving every indication of remaining so, the Port Authority began its planning for the construction of the Third Tube of the Lincoln Tunnel in 1949, and a year ago was studying the economic practicability of a fourth Hudson crossing.

Other developments at the crossings this year were headed up by the completion and opening in May of the new $9,000,000 five-block George

TOLL REVENUE		Automobiles Revenue	Buses Revenue	Trucks Revenue	Total Vehicles Revenue
GEORGE WASHINGTON BRIDGE	1952 1951 1950	$11,015,594 9,272,283 8,334,198	$ 634,236 662,404 626,946	$1,764,509 1,680,013 1,487,951	$13,414,339 11,614,700 10,449,095
LINCOLN TUNNEL	1952 1951 1950	6,682,791 5,818,337 5,323,874	1,698,212 1,729,301 1,558,792	2,225,085 2,267,956 2,340,955	10,606,088 9,815,594 9,223,621
HOLLAND TUNNEL	1952 1951 1950	6,414,635 7,027,049 6,671,553	144,759 191,046 249,659	3,821,145 3,767,821 3,568,651	10,380,539 10,985,916 10,489,863
STATEN ISLAND BRIDGES	1952 1951 1950	2,348,509 2,385,708 2,006,289	57,292 53,540 51,559	540,214 561,298 497,031	2,946,015 3,000,546 2,554,879
ALL CROSSINGS	1952 1951 1950	26,461,529 24,503,377 22,335,914	2,534,499 2,636,291 2,486,956	8,350,953 8,277,088 7,894,588	37,346,981 35,416,756 32,717,458

Washington Bridge approach tunnel in Washington Heights. Running under 179th Street from the bridge plaza to Highbridge Park, complementing and paralleling the older 178th Street Tunnel, the new tube doubles the capacity of this link between the Bridge and Manhattan's East Side, and the parkways and expressways to Westchester County and New England. The older 178th Street Tunnel, until May a two-way underground artery, is now devoted to eastbound traffic exclusively, while the new two-lane 179th Street Tunnel is exclusively westbound.

Other work in 1952 included:

Foundations for the connection from the New York end of the George Washington Bridge to the Henry Hudson Parkway were completed, pending delivery of steel for the superstructure.

Port Authority construction was started on connections between the New Jersey end of the Bridge and the Palisades Interstate Parkway, now under construction by the New Jersey Highway Department. The first stage, construction of an off-bound ramp for northbound traffic and partial construction of a parkway-level plaza, was begun in July, with completion scheduled for early in 1953. Work on stage two, to follow immediately, will include finishing of the parkway plaza. Construction of an on-bound ramp and relocation of the present two connections with Hudson Terrace, and widening of the main bridge plaza at Lemoine Avenue, will constitute stage three. The plaza widening will serve to get the loading and unloading of buses out of the main stream of traffic on the approaches. Stage four, widening of the toll plaza, will finish the project in 1954.

Approach Improvement Nearly Completed

Construction of steel decking over the New York Central System tracks west of Tenth Avenue, between Forty-first and Fortieth Streets, in Manhattan, is in progress. This will provide additional street access to the North Tube of the Lincoln Tunnel, and eliminate the southbound lanes on otherwise one-way Tenth Avenue between Thirty-ninth and Forty-first Streets and a circuitous route now in effect for trucks coming north on Eleventh Avenue and west on Forty-first Street. Its completion is scheduled for 1953.

A direct connection between the Lincoln Tunnel approach and the New Jersey Turnpike, begun in 1951, was opened to traffic, with temporary wooden bridges spanning Route 3, on January 15, the day the northernmost section of the Turnpike opened. The permanent steel bridges for this connection were finished in February.

MARINE TERMINALS

SUMMARY

ON September 24, 1952, with the signing of a three-way lease involving the Port Authority, the City of Hoboken, and the United States Maritime Administration, one of the most important pieces of waterfront property on the Hudson River became the responsibility of the Port Authority. The long-awaited occasion assures the restoration of the Hoboken waterfront.

Three fifty-year-old piers and a stretch of bulkhead stripped of three others by fire, were leased by the Maritime Administration to Hoboken for a dollar a year. Hoboken in turn subleased them to the Port Authority for its undertaking of a pier-building program that will cost from $15,000,000 to $22,000,000.

Including the Hoboken-Port Authority Piers program, we have under construction or are obligated to build general cargo terminals of the most modern type and dimensions containing thirteen ship berths—by far the most extensive marine improvement program in the Port District.

Tonnage, employment, and construction at Port Newark were at new highs, and during peak periods the port's improved facilities were barely able to cope with all the cargo demanding entrance.

In less than five years of Port Newark operation the Port Authority has spent or committed about $20,000,000 in rehabilitation and new construction.

The lumber movement at the Grain Terminal and Columbia Street Pier continued to gain.

The Hoboken-Port Authority Piers, right center, constitute a vital part of the harbor's New Jersey waterfront.

Signing the Hoboken-Port Authority Piers lease are, seated left to right, Vice Admiral E. L. Cochrane for the U.S. Maritime Administration; Mayor Fred M. De Sapio for Hoboken, and Vice-Chairman Joseph M. Byrne Jr., for the Port Authority. Standing are Austin J. Tobin, Executive Director of the Port Authority; Howard S. Cullman, Chairman of the Port Authority; Congressman Edward J. Hart of the 19th District; George J. Fitzpatrick, Hudson County Freeholder, and Eugene F. Moran, Port Authority Commissioner.

Hoboken Lease Brings New Responsibilities

THE Hoboken piers lease signing was a memorable event for the people of the Port District and, in particular, for the people of Hoboken. Its importance was signified by the declaration of a public holiday in the City of Hoboken on September 24, the day of the signing. In his speech on that occasion Chairman Cullman stressed the importance of the event when he stated:

"This lease-signing ceremony here today, as many of you know so well, is the happy ending of the thirty-five-year struggle by many of us here today to solve the critical problem related to the Hoboken piers. I might add that I am sure it is the happy beginning of a long story of increased prosperity in this fine harbor community . . .

"Most of the guests at this celebration today are people who have worked, many of them for years, to enable the Port Authority to restore to this vital Port community the commerce that through the years was gradually lost for lack of proper facilities. I can promise you that the great new piers that we are going to build here will bring to you business that will mean many dollars to the men and women who live and work in Hoboken."

A third of a mile long and a quarter of a mile wide, the Hoboken-Port Authority Piers' site is one of the most strategic on the New Jersey shore. Thirty-five years ago some of the world's greatest liners—the Leviathan and the Berengeria when they were German-owned and called the Vaterland and Imperator—docked there. Since that time three of the original six piers on the property burned down, and the remaining three piers have become outmoded in size and floor load capacity. It is estimated that this waterfront deterioration costs the City an annual $15,000,000 in rents and retail trade, and is an important factor in the decline of Hoboken's population.

On three previous occasions the Port Authority offered to restore this waterfront. In 1929 and 1930 the City and Port Authority tried unsuc-

General view of the lease-signing ceremonies for the Hoboken-Port Authority Piers, held September 24, 1952. Chairman Howard S. Cullman is speaking.

cessfully to obtain the piers from the Government for modernization. Again in 1947, and once more in 1948, the Port Authority made proposals to the City, unsuccessfully in both instances. Then, late in 1951, Mayor Fred M. De Sapio of Hoboken asked for further consideration. With active support from Vice Admiral E. L. Cochrane, United States Maritime Administrator at the time, and after much discussion over points important to all three parties, an agreement was finally reached.

The Agreement

Under it the Port Authority takes full responsibility for the operation and maintenance of the existing piers. It commits itself to the financing and construction of new piers, gradually replacing the old facilities over a period of years. The first of the new piers will be built within four years and the second in eight years, both under a fifty-year sublease. Each will cost approximately $7,500,000. The third would be built at the Port Authority's option, in which event the sublease would be extended to 100 years.

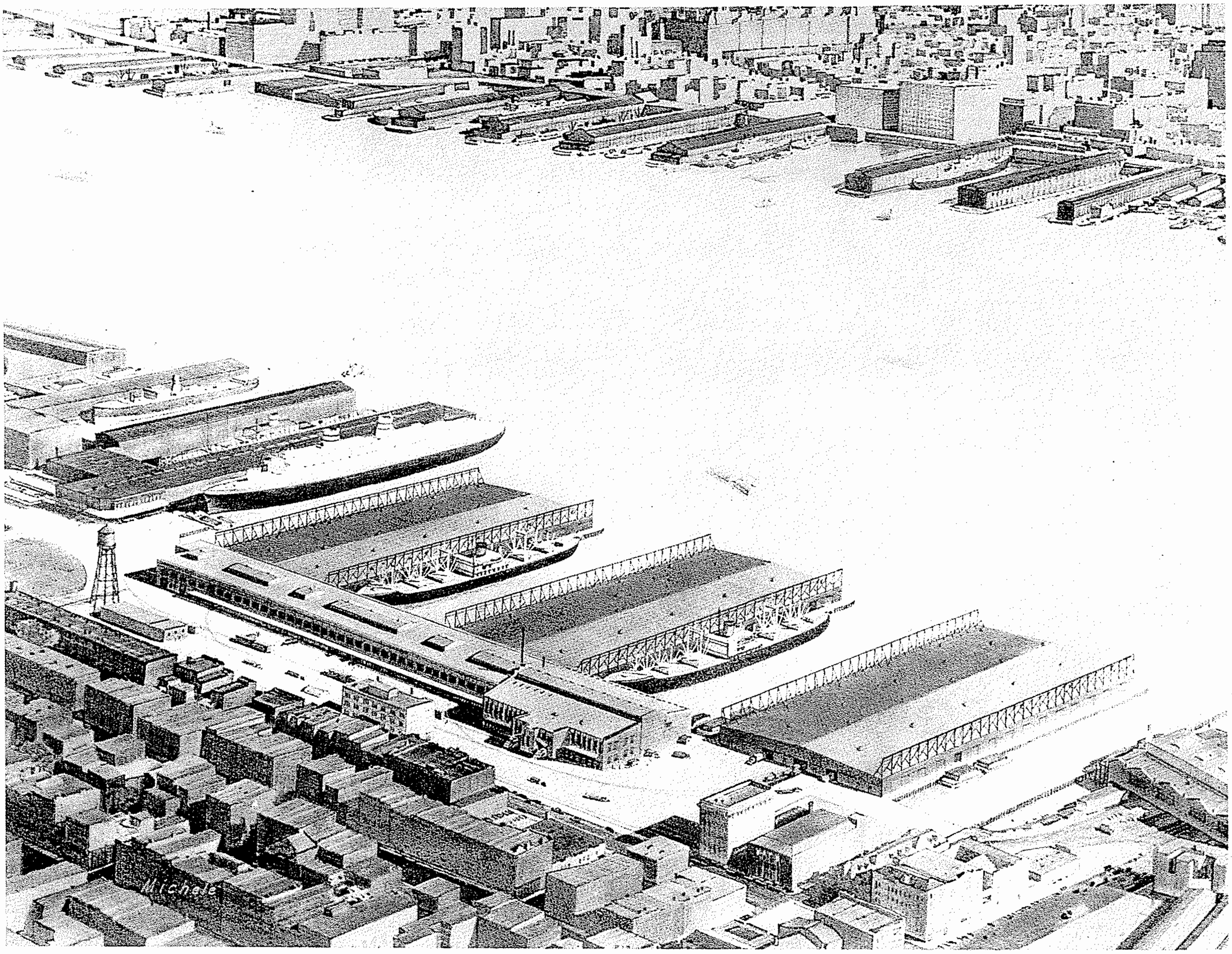
The City of Hoboken will receive as rental 75 per cent of the net revenues from the piers, and as prepayment to be deducted from future rentals due the City, $75,000 annually for the first four years will be paid by the Port Authority to Hoboken. The first payment of $75,000 was made at the lease signing on September 24.

The broad gap beyond the bulkhead, running from the foot of Second Street to the foot of Newark Street, is to be the site of the first new super-pier, a single-deck structure 660 feet long and 345 feet wide, affording more than 90,000 square feet of cargo space for each ship berth, with one berth on each side of the pier.

The second new pier will replace the present No. 3, between Third and Second Streets. The optional third pier would replace Nos. 1 and 2.

The new piers will be designed to contain easily the cargoes of the biggest cargo ships, two sets of railroad tracks and all the trailer trucks and mobile loading equipment necessary to keep the freight moving, free of traffic congestion.

Rehabilitation began immediately after the Port Authority assumed responsibility for the terminal on October 1, 1952. It included the elimination of fire hazards and the improvement of the fire protection system. Contract specifications for the construction of the first new pier are being drawn and construction is expected to start by mid-year, 1953.



The Port Authority program to restore part of the Hoboken waterfront includes the operation and maintenance of three existing piers, and the financing and construction of at least two, and possibly three, modern piers, as rendered above. The first new pier will be built within four years and the second within eight years, both under a fifty-year sublease. The third would be built at the Port Authority's option, in which event the sublease would be extended another fifty years.

Port Newark Has a Record Year

Construction at Port Newark moved ahead in 1952 at a pace unprecedented in that waterfront's history and unheard of, at least since the end of the war, throughout the rest of the harbor. In the midst of a $20,000,000 improvement program, the terminal was barely able to handle, at peak periods, all the cargo being attracted to and through its new and growing waterside facilities.

The development of the Authority's planning and vigorous prosecution of its trade promotion program were the highlights of the year. New steamship lines were attracted, and many new commodities, among them salted codfish from Icelandic fishing grounds, buses for export to Colombia, baled cork from Portugal, wine from California and ever-increasing amounts of lumber and wood pulp.

Port Newark's combined commercial and military cargoes exceeded those of past years even though the commercial movement slipped slightly in line with the general decrease in coastal and inter-coastal shipping. The steel strike, and walkouts among West Coast seamen and Canadian mill workers were factors that disrupted tonnage movements.

Continues as Leading Lumber Port

The thriving waterfront on Newark Bay continued to improve its position as the leading lumber handler on the East Coast. In 1952 there were 220,059,093 board feet of lumber handled here, or 14.3 per cent more than in 1951. Its general and dry bulk cargo was 358,583 tons and petroleum was 1,051,452 tons. Seven hundred and thirty-eight ships, operated by 96 steamship lines, carried an unending stream of goods and materials which, for the most part, are consumed in the Port District's western half.

The whole represents steady progress. This year's aggregate of 1,704,757 long tons of commercial cargo, 7.5 per cent under 1951, a record year, is 667,338 tons over 1940, the best year of city operation. The trend has held up firmly since the beginning of Port Authority operation in March, 1948, with 1,525,863 tons in 1949, 1,687,967 in 1950 and 1,842,733 in 1951.

Port Newark had by far its best tonnage year. United States Air Force tonnage—unreported for security reasons—was a substantial figure, and supplied vast payrolls and benefits to the community. The Air Force occupies 137 acres of important waterside property on the north side of the channel with seven deep-sea vessel berths to handle overseas shipments under the Mutual Defense Assistance Program.

Port Newark's financial picture continues to improve. Its gross revenues of $2,433,900, again produced net revenues after all operating expenses and debt service had been paid. The payroll at the port continued to climb. An average of 3,411 employees, 326 more than in 1951, received $11,900,000, 10 per cent over 1951's $10,800,000, and almost double that for 1948.

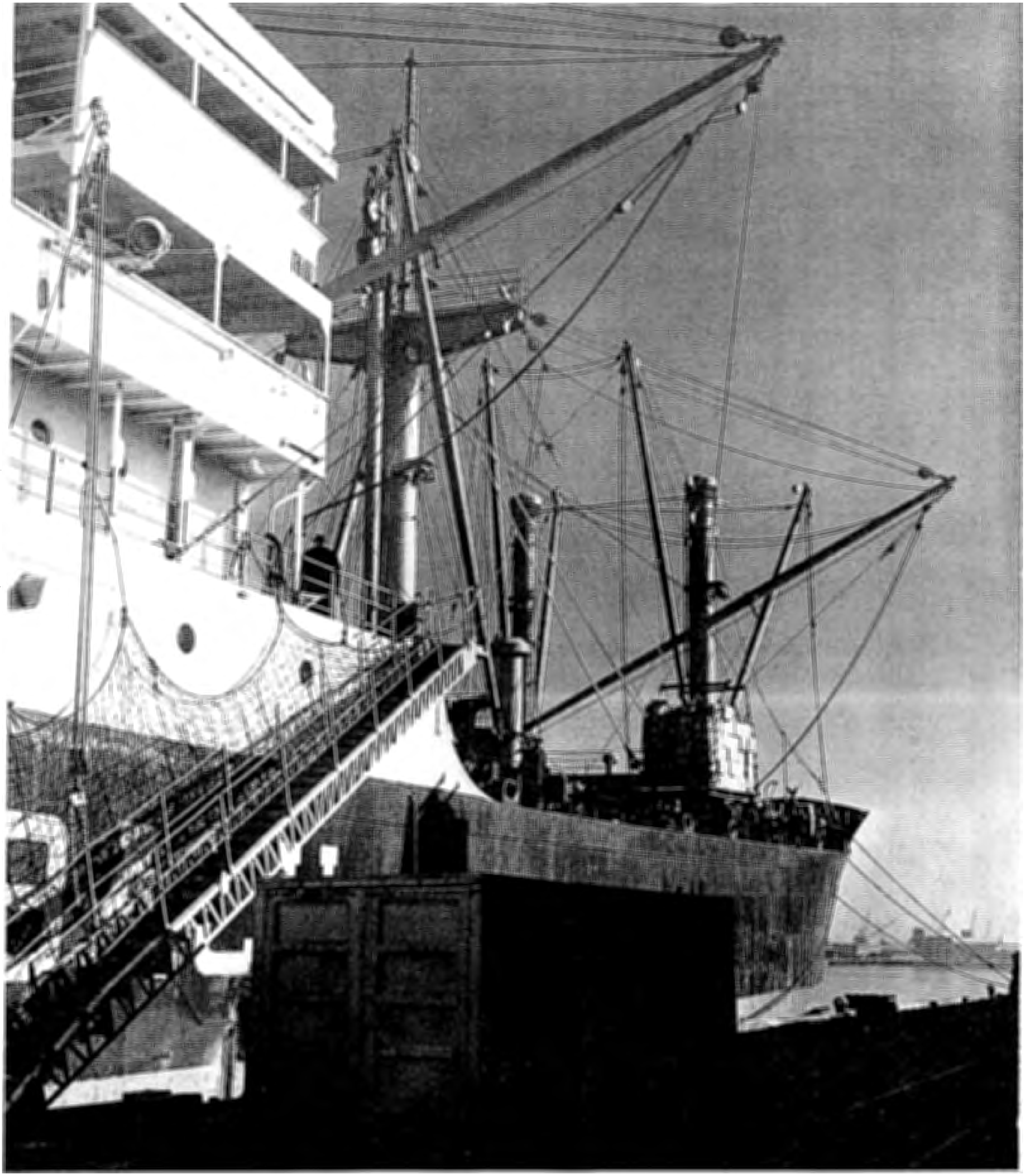
Newark's waterfront is now the regular port of call for lines in the Scandinavian, Gulf and West Coast services.

A significant event this year was the Waterman Steamship Corporation lease signing, involving construction, by the Port Authority, of a $6,000,000 terminal extension on the undeveloped eastern extremity of Port Newark's south shore.

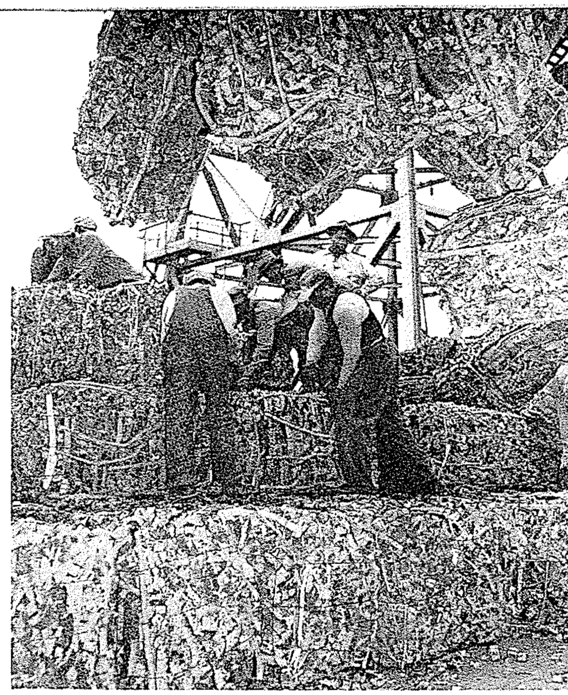
When this project, now under construction, is completed in 1954, Waterman—one of the largest American-flag lines—will consolidate its operations, which now are divided between Brooklyn and Port Newark, thus increasing efficiency both for the line and its customers. The greatest single step forward since Port Newark was opened thirty-seven years ago, the Waterman operation alone will bring in 600,000 tons of high-value general cargo annually—241,000 tons greater than the Newark waterfront's entire 1952 business in general cargo. It will boost payrolls, so vital to the community, by $2,000,000 or more a year.

Important New World Trade

Waterman will introduce trade with foreign ports on three important routes to Port Newark—ports three-quarters of the way around the earth, like Genoa, Trieste and Venice in the Mediterranean; Yokohama, Kobe and Manila in the Far East; Bremen, Hamburg, Antwerp and Rotterdam on the western shores of Europe.



Port Newark was barely able to handle, at peak periods, all the cargo attracted to it in 1952.



Many new commodities were brought to Port Newark during the year including baled cork from Portugal.

The marine terminal structures for Waterman will include three marginal wharves of the most modern design, each 550 feet long and backed by open track-equipped 50-foot aprons, cargo terminal buildings providing 270,000 square feet of covered cargo-handling space and loading platforms for trucks. The area will be served by new railroad tracks and roads.

Rehabilitation Nearly Completed

Other physical improvements at Port Newark this year included completion of a 122,000-square-foot public warehouse for waterborne freight, two 30,000-foot lumber storage buildings, and a fumigation building.

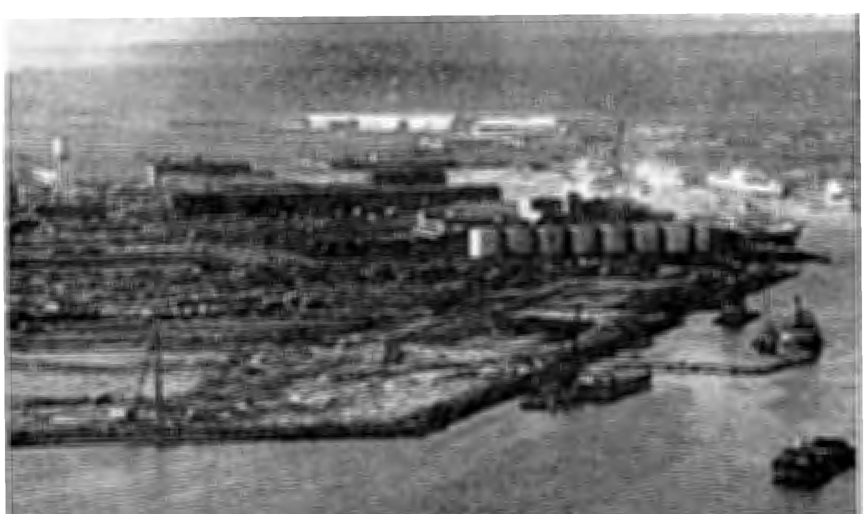
Two new cargo terminal buildings covering 204,000 square feet at Port Newark were begun in 1952, to be finished in 1953. These will be the most modern in the harbor.

Rehabilitation, begun at the outset of Port Authority operation and now nearly completed, continues at Port Newark chiefly in the resurfacing of roads, replacement of railroad ties, and renewal of building walls.

Today as the result of aggressive promotional efforts and the thorough rehabilitation program, all rentable buildings are leased.

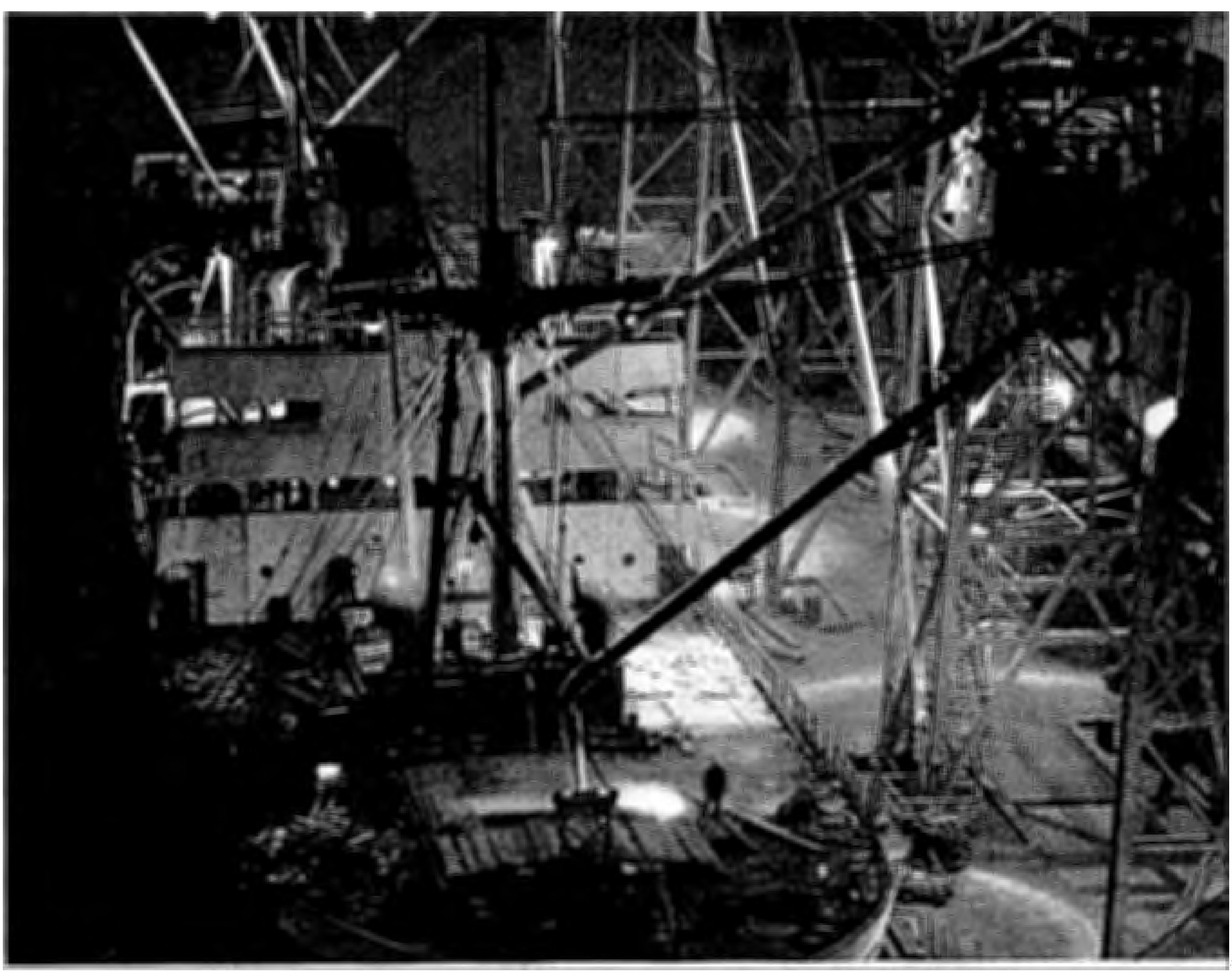
Besides the Waterman lease, other major lease agreements made this year are with the Bayway

Construction of facilities for the consolidated operation of the Waterman Steamship Corporation at Port Newark, below, was begun in 1952.



A harborside view of the Port Authority's Columbia Street Pier, left, and the Grain Terminal at the right.

A typical scene of night operations at the Grain Terminal. Under cluster lights, boom-like spouts feed grain into the vessel's big hold.



Terminal Corporation, and with one of the largest packers of canned foods in the country.

Bayway will use the new fumigation building for fumigating waterborne cargoes such as cork, tobacco, cotton, burlap and hemp. As warehousing agent of the Port Authority it now operates 1,187,800 square feet of open ground for lumber storage, and 123,000 square feet of warehouse space.

Tenants conducting lumber operations at Port Newark are the Weyerhaeuser Timber Company, the Dart & Russell Sales Company, the Blanchard Lumber Company, the Ballmill Lumber & Sales Corporation, the Port Newark Independent Terminals, the Georgia-Pacific Plywood Company, and the Dreifus Lumber Company.

Air Force Expands Area

An improved public lumber terminal, comprising two lumber storage buildings and fifteen acres for open storage, has just been completed. Special lighting will permit around-the-clock operation.

The California Packing Corporation leased a 45,000-square-foot building and adjacent ground for the storing of canned produce shipped from the West Coast.

In 1951 the Air Force leased 133 acres of property embracing seven deep sea wharves, large warehouses, and cargo terminal buildings. On April 17, 1952 about 1,000 linear feet of berthing space and over three acres of upland were also rented to the Air Force. This is an area reserved earlier by the Port Authority for lumber and for sand fill used in Newark Airport's improvement.

Other agreements concluded this year were with the Newtex Steamship Corporation for another year's preferential berthing, the Dreifus Lumber Company, Construction Aggregates, and the Georgia-Pacific Plywood Company, for open storage land.

Shipping Slump Affects Grain Terminal

A railroad rate differential which has long inhibited the flow of Great Lakes grain through the harbor was eliminated during the year. However, as a result of the shortage in Great Lakes shipping, which was heavily used to transport ores for the defense program, the harbor was not benefited in what was a lagging grain export year. The 1,800,000-bushel Port Authority Grain Terminal in Brooklyn elevated 3,103,125 bushels of grain into its towering bins. This was 67.6 per cent under 1951's 9,572,743 bushels.

The lumber picture improved. Twenty-eight lumber ships docked at the Grain Terminal pier to discharge 67,504,242 board feet, 14,819,846 more than 1951's 52,684,396, and exceeding even the 1950 high of 67,322,385. About 70 per cent of this lumber went to Nassau and Suffolk Counties on Long Island to feed the enormous home and industrial expansion there.

Preferential Permits Continued

A general slump in all shipping along the Atlantic seaboard affected business at the Columbia Street Pier, where the 159,496 long tons of general cargo handled in 1952 were 25,944, or 14 per cent, under 1951's 185,490.

The Fern Line and Isthmian Steamship Company continued their shipping activity at the Columbia Street Pier on a preferential permit basis as they have since 1947. The installation of the best possible in fire protection equipment was completed when the new automatic sprinkler system was put in operation, complementing the fire walls designed for localizing any fire in the ceilings or under the floors.

The Grain Terminal and Columbia Street Pier were turned over by New York State for Port Authority operation in 1944. Through extensive rehabilitation, the Port Authority has made the facility self-supporting.

AIRPORTS

SUMMARY

THE regional airport system operated by the Port Authority handled more than half a million plane movements, nearly 7,000,000 passengers and over 229,000,000 pounds of cargo during 1952, a volume of traffic which had not been expected before 1960.

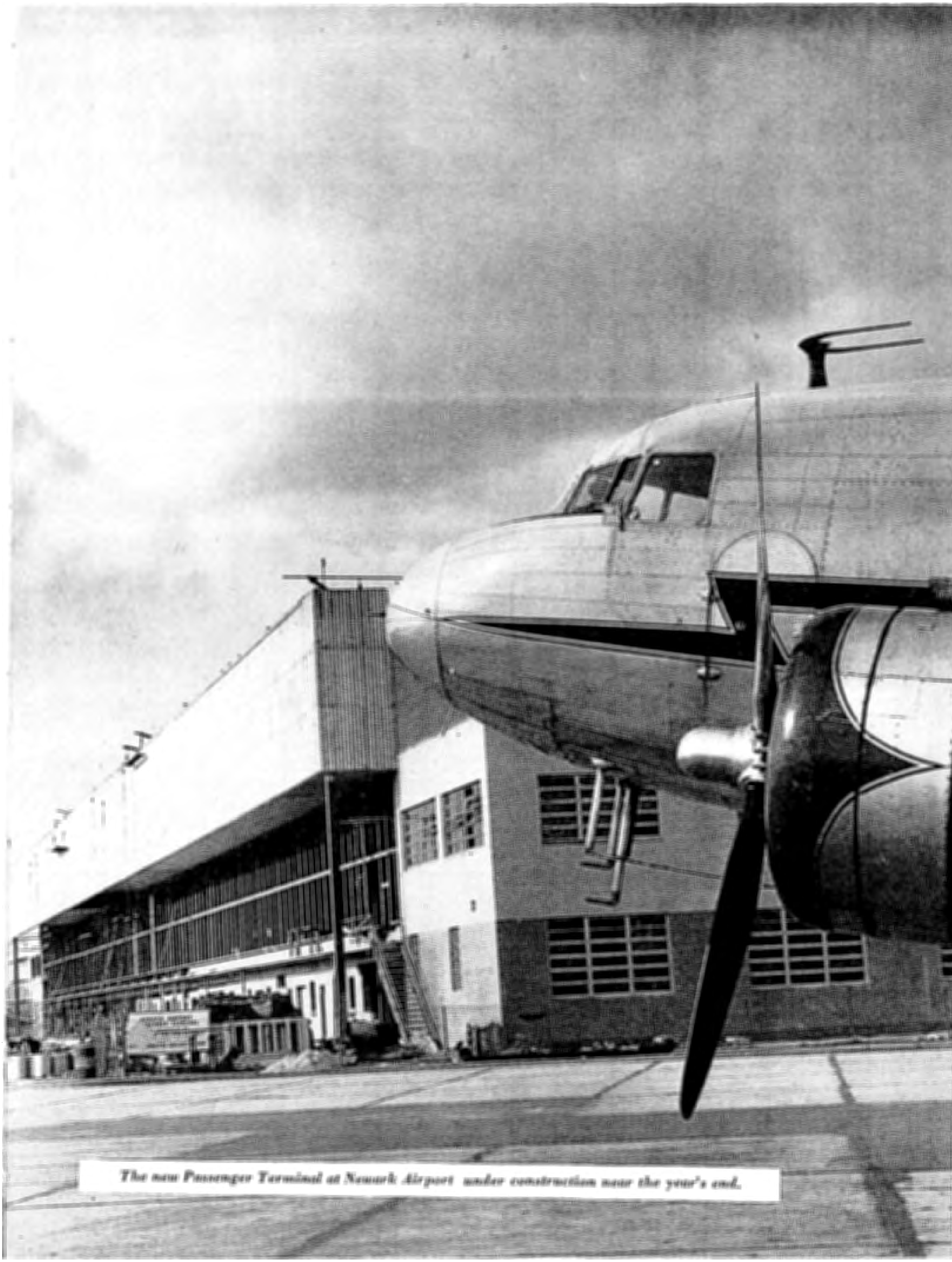
The record in operations was accompanied by a year of big-scale construction planned and executed to meet the continuing enormous growth of passenger and cargo movements.

By the end of 1952 the Port Authority had invested $89,407,000 in New York International, Newark, La Guardia and Teterboro Airports, $9,816,000 of it during 1952. Additional expenditures approximating $160,000,000 will be required over the next ten years to provide the air terminal facilities needed to keep the Port District in its position as the world's greatest center of air transportation.

The principal expenditures will be at New York International Airport, where one of the world's biggest and busiest commercial air terminals is under development, and at Newark where, in accordance with our agreement with that City, a virtually new airport is being built on top of an old one.

During 1952, the construction program was highlighted by the expansion of terminal, runway and taxiway facilities at New York International Airport and by the completion of Newark Airport's Instrument Runway 4-22 on November 15.

New horizons in air transportation here came into view when, in October, regular helicopter mail service was introduced in the Port District.



The new Passenger Terminal at Newark Airport under construction near the year's end.

Part of New York International Airport's crowded apron, with the new permanent control tower in the distant background.

Air Traffic Increase Continues

IN 1952 air traffic in the Port District increased over the previous year for the fifth consecutive time. The four airports under Port Authority management handled 6,875,000 passengers in 1952, a 4 per cent increase over 1951. Commercial flights followed the trend with 288,000 movements for a 7 per cent increase. There were an additional 228,000 corporate, private and government flights—most of these at Teterboro Airport—bringing the total in plane movements at the four airports to 516,000 in 1952.

The tremendous growth in overseas air travel, 25 per cent greater than in 1951, was the chief factor in the air passenger gain. The domestic volume, 6,011,000 passengers, was up 1 per cent.

Air mail was up 19 per cent to reach 55,733,000 pounds, the largest increase in any major traffic category. It reflected the increasing use of air parcel post. The increase in domestic air mail was 21 per cent, and in overseas air mail 15 per cent. Air cargo totaled 229,260,000 pounds, 2 per cent over 1951, an increase entirely accounted for by a 23 per cent gain in overseas cargo. The domestic figure was down 2 per cent. Dislocation of the all-cargo carriers' operations resulting from the closing of Newark Airport was one of the primary factors in the domestic decreases.

New York International Airport, which handled three times as much traffic in 1952 as in 1951, joined La Guardia Airport as one of the ten leading airports in the United States for

1952 as far as air carrier traffic is concerned.

A total of 1,726,375 paying spectators used the observation decks at the three major airports, a 9 per cent increase over 1951; 1,242,000 parked cars were accommodated at airport parking lots.

As in plane and passenger traffic, income from concessions at the airports was somewhat greater than in preceding years. The gross business done by concessions at the airports, and the fees to the Port Authority from those concessions, were as follows:

Airport	Gross Business	Revenue to Port Authority
N. Y. International..	$3,156,000	$ 616,500
La Guardia	2,808,000	587,500
Newark	262,700	68,800
Teterboro	76,400	11,200
TOTALS	$6,303,100	$1,284,000

International Moves Ahead with New Leases and New Construction

The Port Authority and the airlines using New York International Airport concluded three years of negotiation in 1952 with the writing of an acceptable lease and agreement for the use of the Airport. This completes the renegotiation of the 1945 Idlewild lease between the airlines and the City of New York. The new leases follow the provisions of the "Memorandum of Agreement" written by Governor Dewey in 1949 that has been the basis of the Airport's operations for the past three years. (The new, definitive agreement was signed on January 8, 1953 by the Port Authority and seven airlines, American Airlines, Inc., Eastern Air Lines, Inc., National Airlines, Inc., Pan American World Airways, Inc., Trans World Airlines, Inc., United Air Lines, Inc., and British Overseas Airways Corporation.)

Los Angeles-bound passengers board an American Airlines flagship at La Guardia Airport, one of the busiest air terminals in the nation.

A pilot's view of Newark Airport's new Instrument Runway 4-22, opened on November 15 and designed to keep air traffic from heavily populated areas.

The permanent control tower, completed by the Port Authority in 1952 and put into operation by the Civil Aeronautics Administration on September 16, was designed to be a part of the permanent Terminal Building. It is the largest and most modern in the world, an eleven-story building located almost dead center in the 4,900-acre Airport. The tower, which cost over $1,000,000, contains $600,000 worth of radio, electronic and radar equipment capable of controlling aircraft on the ground by radar as well as in the air for the first time in the history of regular commercial flight operations.

In order to provide additional needed cargo space for airline use a 25,000-square-foot extension was added to the south wing of the Operations-Cargo Building. It was started June 9 and occupied December 3.

Runways and taxiways were expanded at a cost of approximately $3,400,000. Runway D, the Airport's giant 9,500-foot strip along the edge of Jamaica Bay, was activated in March as Runway 13R-31L, paralleling Runway 13L-31R and bringing to five the number of active runways. To make it available for night operations, temporary lights were borrowed by the C.A.A. from the Air Force and installed by us, pending completion of permanent lighting in December.

Four taxiways giving access to the east and west ends of this new runway were completed in December. This construction, totaling 10,450 feet, included the adding of 2,850 feet to the egg-shaped, peripheral taxiway which eventually will surround the central terminal area. By the end of the year, 12,000 feet of this peripheral taxiway had been completed of a projected total of 34,000 feet.

The fire pumping station, capable of delivering 34,000 gallons per minute at 165 pounds pressure, and of furnishing water to fight two simultaneous fires on any part of the Airport, was completed, the installation including a reservoir of a million gallons of water to be used in the event New York City's supply should fail.

Fuel storage facilities were quadrupled when six new tanks were placed into service in October, bringing the Airport's storage capacity to over 4,000,000 gallons, enough to serve it until 1965. During the busy summer period the tank farm was dispensing over 5,500,000 gallons of fuel per month.

Work on Hangar 6, which will be larger than any single hangar now in use at the Airport, was started on July 14 for National Airlines. It will have a total ground area of 145,600 square feet, including a 95,000-square-foot hangar floor.

The National Air Transport Coordinating Committee, formed by the air transport industry to solve industry problems, in session. Left to right are W. H. Neff, Assistant to the President, United Air Lines; Leslie O. Barnes, Committee Executive Secretary; Fred M. Glass, Director of Aviation, Port Authority; John Moynahan, of John Moynahan Associates, public relations counsel; J. D. Smith, Capital Airlines pilot and representative of the Air Line Pilots Association; Clarence Sayen, President, Air Line Pilots Association; William Van Dusen, Vice President, Eastern Air Lines; C. R. Smith, President, American Airlines; Austin J. Tobin, Executive Director, Port Authority, and John R. Groves of the Air Transport Association.

Reconstruction at Newark Airport

The construction program at Newark Airport, which entails, virtually, the building of a new airfield on top of an old one, was pointed up in 1952 with the completion and opening of the new, ultra-modern Instrument Runway 4-22, generally considered to be one of the best and safest in the world.

Substantial reconstruction of the famous old Newark field, leased to the Port Authority by the City of Newark in 1948, had become necessary because the three runways then in existence, laid down for the day of earlier, lighter planes, had a limited life, and because the terminal was totally inadequate.

The new runway, 7,000 feet long, was begun in March, 1950 and commissioned November 15, 1952. It cost $9,000,000 and is equipped with the most modern of electronic, radar and lighting equipment for instrument landings. Its completion made possible the resumption of normal operations after a period of restricted flight activity and the closing of the old Instrument Runway 6-24, which had necessitated instrument approaches over heavily populated areas.

Chairman Howard S. Cullman, right, and Commissioner Donald V. Lowe, left, with Mr. Louis Couhe, Chairman of the Board of Directors, Paris Airports, at a reception and dinner for foreign airport officials in the Waldorf-Astoria Hotel.

Of the three original runways, only 10-28, the east-west strip, remains in use. Portions of its surface were rehabilitated during the year.

Construction work on the new Passenger Terminal Building, ahead of schedule, was more than 50 per cent complete at the end of the year. It is expected to open in July, 1953 when the main building and west arcade will be finished. The east arcade should be ready in November, and all associated paving, utility, and electrical work in January, 1954. The terminal will be 600 feet long and will have two 575-foot arcades which will allow passengers to proceed under cover to any of the twenty-two aircraft loading gates. It will have about five times the floor area of the present inadequate, outmoded Administration Building and will contain a restaurant, coffee shop, bank, men's shop, barber shop, and other stores and concessions.

By the end of the year a new cargo building was on the planning boards. It will have space and facilities for loading or unloading from eleven to thirteen four-engine aircraft at one time.

La Guardia Airport Improved

Although no major construction projects were undertaken at La Guardia Airport during 1952, the Port Authority continued to repair, rehabilitate and improve the runways, aprons, taxiways and other installations.

New high intensity approach lights were installed by the Civil Aeronautics Administration on the approach to Instrument Runway 4-22. The new lights form a 1,500-foot, left side extension of the runway to make visual contact easier for pilots on instrument approaches or during periods of restricted visibility.

The repair and rehabilitation of pavement continued to be a major item at La Guardia. The con-

President Eisenhower arriving at La Guardia on his return from Korea. Beside him are Secretary of State Dulles and Press Secretary James Hagerty, and behind the President, Mutual Security Director Harold Stassen.

OFFICE OF DWIGHT D. EISENHOWER

December 16, 1952

Mr. Howard S. Cullman
The Port of New York Authority
161 Front Street
New York 7, New York

Dear Howard:

I would appreciate it very much indeed if you would tell the personnel of the Port of New York Authority who were responsible for handling General Eisenhower's trips in and out of LaGuardia and Idlewild what a fine job all of us think they have done.

On all occasions the arrangements have been excellent and the protection of the President-elect has been exceedingly fine. I know how much planning and work goes into one of these take-offs or landings and I am taking this opportunity to ask you to personally express on behalf of the President-elect his appreciation for splendid service.

As for you and yours, may I extend my very best wishes for a Merry Christmas and a most Happy New Year.

Sincerely,

James C. Hagerty

James C. Hagerty
Press Secretary to
Dwight D. Eisenhower

tract for raising the perimeter dike to a height of fifteen feet above mean low water, started in June, 1951, was completed in May, 1952. It included recrowning and regrading Runway 13-31 and various repairs to Runways 9-27 and 4-22.

Work started in December on the installation of a medical service and first aid room on the second floor of the Domestic Terminal Building. Space formerly occupied by a snack bar has been altered to provide a ladies' lounge and nursery for the use of air travelers with infants.

Standby Role for Teterboro

Construction at Teterboro Airport continued to be a matter for the future when and if the air traffic needs of the Port District require the development of a fourth major air terminal. In 1952, Teterboro continued to handle most of the corporate, private and instructional flying in the region and a large share of the non-scheduled domestic flights.

In order to provide necessary space for future airport expansion, the Port Authority continued to acquire land in the Boroughs of Moonachie and Hasbrouck Heights south of the present boundary of Teterboro Airport. By the end of 1952 agreements had been reached with the owners of 245 acres, or 67.5 per cent of the required area.

Newark Airport Is Reopened Following N.A.T.C.C. Recommendations

Important progress was made during 1952 by all segments of the air transport industry in a joint effort to solve the complex neighborhood problems arising from the provision of commercial air transport services to metropolitan areas such as the New Jersey-New York Port District.

With the opening of new Instrument Runway 4-22 at 12:01 a.m. on November 15, Newark

AIR TRAFFIC AT PORT AUTHORITY AIRPORTS

NEW YORK INTERNATIONAL AIRPORT

	1952	1951	% Change
Scheduled Passengers			
Domestic	1.521,783	284,417	+ 435.1
Overseas	802,431	481,246	+ 66.7
Total	2,324,214	765,663	+ 203.6
Scheduled Mail (Pounds)			
Domestic	7,550,343	1,341,680	+ 462.8
Overseas	11,771,772	8,508,576	+ 38.4
Total	19,322,115	9,850,256	+ 96.2
Scheduled Cargo (Pounds)			
Domestic	63,459,537	8,974,159	+ 607.1
Overseas	32,083,268	18,886,222	+ 69.9
Total	95,542,805	27,860,381	+ 242.9
Scheduled Plane Movements			
Domestic	65,792	8,320	+ 690.8
Overseas	31,007	19,036	+ 62.9
Total	96,799	27,356	+ 253.8
All Other Plane Movements	8,406	7,057	+ 19.1
Total Plane Movements	105,205	34,413	+ 205.7

LA GUARDIA AIRPORT

	1952	1951	% Change
Scheduled Passengers			
Domestic	3,963,345	4,113,466	— 3.7
Overseas	36,530	164,529	— 77.8
Total	3,999,875	4,277,995	— 6.5
Scheduled Mail (Pounds)			
Domestic	34,818,142	28,899,170	+ 20.5
Overseas	50,139	1,466,105	— 96.6
Total	34,868,281	30,365,275	+ 14.8
Scheduled Cargo (Pounds)			
Domestic	100,783,005	76,705,725	+ 31.4
Overseas	181,834	3,114,630	— 94.2
Total	100,964,839	79,820,355	+ 26.5
Scheduled Plane Movements			
Domestic	151,762	146,649	+ 3.5
Overseas	1,060	4,573	— 76.8
Total	152,822	151,222	+ 1.1
All Other Plane Movements	32,800	32,021	+ 2.4
Total Plane Movements	185,622	183,243	+ 1.3

NEWARK AIRPORT

	1952	1951	% Change
Scheduled Passengers			
Domestic	254,074	1,189,612	— 78.6
Overseas	6,092	33,213	— 81.7
Total	260,166	1,222,825	— 78.7
Scheduled Mail (Pounds)			
Domestic	1,466,828	6,162,936	— 76.2
Overseas	59,570	371,756	— 84.0
Total	1,526,398	6,534,692	— 76.6
Scheduled Cargo (Pounds)			
Domestic	16,395,169	96,647,367	— 83.0
Overseas	1,389,125	5,992,824	— 76.8
Total	17,784,294	102,640,191	— 82.7
Scheduled Plane Movements			
Domestic	17,022	73,088	— 76.7
Overseas	317	1,655	— 80.8
Total	17,339	74,743	— 76.8
All Other Plane Movements	9,825	25,434	— 61.4
Total Plane Movements	27,164	100,177	— 72.9

NEW JERSEY-NEW YORK REGION

(Includes Teterboro Airport)

	1952	1951	% Change
Scheduled Passengers			
Domestic	5,742,214	5,587,495	+ 2.8
Overseas	845,053	678,988	+ 24.5
Total	6,587,267	6,266,483	+ 5.1
Scheduled Mail (Pounds)			
Domestic	43,851,230	36,403,786	+ 20.5
Overseas	11,881,481	10,346,437	+ 14.8
Total	55,732,711	46,750,223	+ 19.2
Scheduled Cargo (Pounds)			
Domestic	182,600,160	182,327,251	+ 0.1
Overseas	35,822,436	27,993,676	+ 28.0
Total	218,422,596	210,320,927	+ 3.9
Scheduled Plane Movements			
Domestic	235,208	228,057	+ 3.1
Overseas	32,635	25,264	+ 29.2
Total	267,843	253,321	+ 5.7
All Other Plane Movements	248,550*	264,271*	— 5.9
Total Plane Movements	516,393*	517,592*	— 0.2

* Figures include Teterboro plane movements as reported by C.A.A.
NOTE: Nonscheduled and contract carriers accounted for 255,272 passengers and 10,837,274 pounds of cargo during 1952.

Airport resumed normal operations under procedures recommended by the National Air Transport Coordinating Committee. The Airport was closed on February 11, 1952, following a series of three plane accidents in Elizabeth, and reopened on June 16 on a limited basis after assurances from the industry and the Civil Aeronautics Administrator that a preferential runway-use system would be observed and enforced.

The N.A.T.C.C. was formed by the air transport industry on February 12. Its purpose was to combine the voluntary efforts of all those engaged in civil aviation and its program to provide a solution for the many serious problems of commercial aviation facing the industry, the communities and the nation.

Airport Found Safe

The N.A.T.C.C. immediately began to aid the investigative and other official groups concerned with the closing of Newark Airport and the continued operation of the other metropolitan airports. By June, the N.A.T.C.C. was able to point out in a letter to the Port Authority that "no investigation has produced a sustainable conclusion that Newark Airport was or is unsafe." (See the 1951 Annual Report, pages 59 to 64, for the chronological detailing of these events.)

In September, the Chairman of the Port Authority made the following pledge as a part of his speech on the occasion of the dedication of the new control tower at New York International Airport: "I can assure you that the Port Authority will leave nothing undone that is within the realm of operational feasibility, to run airports that will be the very model of efficiency with respect to noise reduction and safety. And I am sure that our fellow members of the National Air Transport Coordinating Committee are similarly devoted to this endeavor."

New horizons in the short-haul field of commercial flying were raised here in 1952 when a regular helicopter mail run began in October between the airports.

The Helicopter Raises New Horizons

Regular helicopter service, for which the Port Authority has long been a leading and vigorous proponent, was begun in the Port District on October 15 when New York Airways inaugurated a regular mail run between New York International, Newark and La Guardia Airports. It was expanded in December when New York Airways opened a suburban route from La Guardia to Yonkers, Pleasantville, Norwalk, Stamford, Port Chester, White Plains, New Rochelle and Mount Vernon, one of four routes for which the line has been certificated.

In keeping with its tradition of long-range planning for traffic and commerce in the Port District, the Port Authority had completed a comprehensive study to determine future helicopter traffic volumes, the potentials of helicopter use, the probable patterns of service, and the landing-area requirements.

On the basis of the study, conducted by a group of consultants and widely acclaimed when it was reported in December, it is predicted that the helicopter will contribute substantially to transportation in the short-haul field, halving travel time between the Port District and cities within 175 miles, stepping up the rate of suburban travel and immensely reducing the time between airport and downtown.

(See page 90 for summary of C. A. B. cases.)

TERMINALS

SUMMARY

FOR the Port Authority's four great land terminals, designed as union stations to speed the Port District's huge and endless flow of freight and passengers, the year was a mixture of problems and progress.

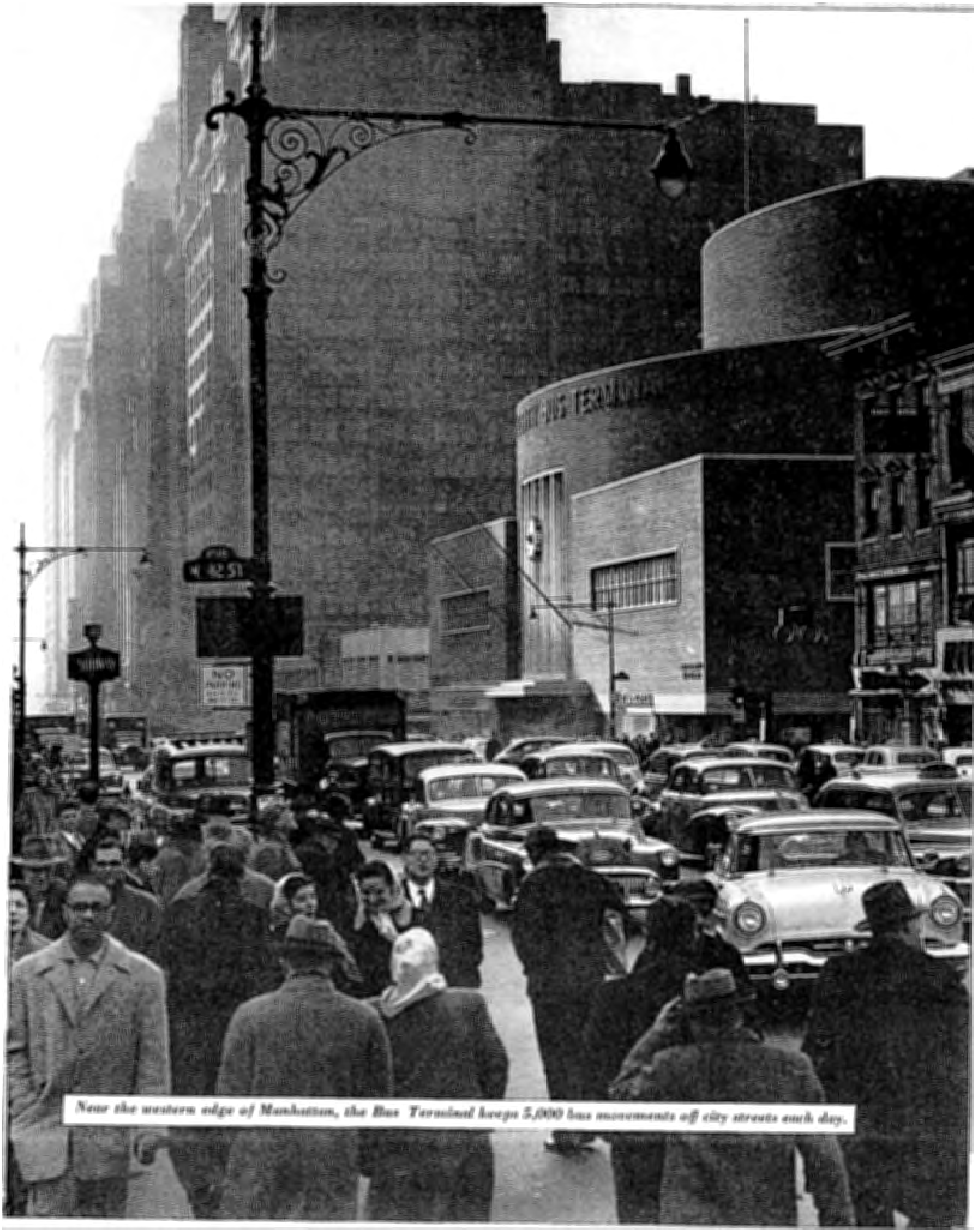
The Port Authority Bus Terminal continued to exceed expectations. Through its portals and over its ramps by year's end had flowed approximately 90 per cent of inter-city bus passengers and inter-city bus departures from mid-Manhattan.

Its shopping center, consisting of over 70 consumer services, provided more than 59 per cent of its total 1952 revenue, and may increase that ratio to 70 per cent in the near future.

The problem of finding the right operating procedures for the New York Union Motor Truck Terminal was decided with the completion of negotiations for the leasing of its freight platform by a terminal corporation formed by a group of large, over-the-road trucking concerns. Scheduled for operation early in 1953, this union terminal corporation will provide consolidated service out of the terminal to and from at least twenty-eight states of the Nation.

The Newark Union Motor Truck Terminal continued national defense operations under short-term lease to the United States Air Force.

For the ninth consecutive year the Port Authority Building in Manhattan, oldest of the four land terminals, registered 100 per cent tenancy of available industrial and office space. The building also continued to perform its basic function as a union railroad freight station for consolidation of less-than-carload rail freight.



Near the western edge of Manhattan, the Bus Terminal keeps 5,000 bus movements off city streets each day.

Opened in 1950,

Bus Terminal Proves a Major Contributing Force in Traffic Relief

THE Port Authority Bus Terminal in mid-Manhattan—newest of the four land terminals constructed by the Port Authority—was a major contributing force in the relief of mid-Manhattan traffic congestion during the year.

This block-long structure, opened in December, 1950, the world's largest and most modern terminal for buses, is the hub of mass transportation in the New York-New Jersey area. It has continued to shorten the travel time of the area's commuter bus passengers between New York and New Jersey, and incidentally to provide essential services and conveniences for all those passing through the terminal.

By year's end approximately 90 per cent of inter-city bus departures and inter-city bus passengers from mid-Manhattan originated at this terminal, totaling about 5,000 bus movements and 130,000 bus travelers daily. According to Port Authority estimates, the diversion of the bulk of this traffic via overhead ramps leading from the terminal to the Lincoln Tunnel is the equivalent in traffic relief of adding three cross-town streets. Further estimates show that as much as thirty minutes per trip are saved by use of the terminal, representing not only a saving in time to the passenger but in cost of bus operations.

With its concession areas almost 100 per cent rented the terminal offers a great variety of consumer services through over 70 businesses. These include restaurants and snack bars; candy, florist, bakery, ladies' wear, linen, and china shops; a huge modern drugstore, one of the City's biggest supermarkets, a dentist, an optician, a

the Bus Terminal is the hub of bus transportation in the Port District.

chiropodist, a lending library, a recreational center containing thirty bowling alleys, a rooftop parking area, and numerous other businesses calculated to serve the terminal user and make the terminal self-supporting.

Gross retail business of these store operations during 1952 exceeded $10,250,000, providing a total payment in rentals to the Port Authority of $1,349,800—or over 59 per cent of the facility's total income. In the near future, it is estimated that consumer services will provide over 70 per cent of the terminal's total revenue.

New York Truck Terminal Platform is Reorganized

A most satisfactory development during the year was the successful completion of negotiations for a reorganized platform operating arrangement at the New York Union Motor Truck Terminal by a joint operating company. This company will take full responsibility for all operations, as a union station with a joint public receiving platform and consolidated pickup and delivery services—in accordance with the purposes for which the terminal was designed and built.

This reorganized platform operation will service directly, by means of its own equipment or together with connecting carriers, at least twenty-eight states of the Nation.

(While the major planning and negotiation phases of this reorganization were carried out during 1952, actual execution of the agreement with the joint operating agency was formalized on January 7, 1953.)

The Newark Union Motor Truck Terminal is

The Bus Terminal offers a great variety of consumer services through some 70 businesses. Its concession areas were almost 100 per cent rented by the year's end.

under lease to the U. S. Air Force which is operating it as a depot for the processing of automotive equipment for export under the Mutual Defense Assistance Program.

As soon as the terminal completes its role in the present emergency, it will be made available as a union consolidated facility for the interchange of over-the-road, less-than-truckload freight.

On January 5, 1952 Chairman Howard S. Cullman noted that "the Executive Board of the International Brotherhood of Teamsters and Chauffeurs has taken the unanimous position that Newark's Local 478 of the union '. . . is now on notice that the provision of its contract which would prevent the use of an existing terminal building erected after public hearings as a mandate from the Legislatures of New York and New Jersey will not receive the approval of the international union when such contract's present expiration date arrives. No renewal containing the same or similar clause will be approved by the international union.' "

Port Authority Building Has 100 Per Cent Tenancy for Ninth Straight Year

The oldest and largest of the Port Authority's land terminals, the Port Authority Building occupying the entire block bounded by Eighth and Ninth Avenues and Fifteenth and Sixteenth Streets in Manhattan, reported its ninth consecutive year of 100 per cent tenancy.

The Railway Express Agency, which operates one of the terminal platforms in the building, chalked up a gain during the year of more than 16 per cent over 1951 in packaged freight handled. This amounted to a total of approximately 127,500 tons, and is largely attributable to the United States Post Office regulations restricting the size of parcel post packages.

Completed in 1932 as the first land terminal provided by the Port Authority, the basic function of the building is to serve as a union railroad freight terminal for the consolidation of less-than-carload rail freight. It enables shippers of less-than-carload freight to load a single house truck with freight outbound over one or more of the eight trunkline railroads using the terminal as one drop with a single stop at the terminal platform. For inbound movements, consignees of less-than-carload freight may concentrate their shipments from the eight railroads at this terminal for a one-stop pickup.

The Port Authority's role in this operation is restricted to that of terminal landlord. It leases the platform and truck berths to the railroads for their operation through a joint agent responsible to a board of managers chosen from the eight participating railroads.

The Port Authority maintains its administrative headquarters in the terminal building.

The completion of negotiations for a reorganized platform operating arrangement at the New York Union Motor Truck Terminal was effected during 1952.

PROMOTION

SUMMARY

BOTH the Port Compact of 1921, which established the Port Authority, and the Comprehensive Plan for the development of the Port of New York, direct the Port Authority to take action designed to improve the conduct of commerce in and through the Port of New York. Under these directives, the Port Authority in 1952 carried on three basic functions:

1. Cooperation was extended, information was made available, and recommendations for improving the conduct of commerce in and through the Port of New York were submitted to the New York State Crime Commission; similar information and assistance was offered to the New Jersey Law Enforcement Council.

2. The Port Authority's Trade Promotion Division in New York and its trade promotion offices in Chicago, Cleveland, Washington, D. C., and Rio de Janeiro, Brazil, continued their work to make known the Port's many advantages and to keep it the major gateway for the Nation's world trade.

3. To maintain the Port's position in relation to all other competitive ports, the Port Authority participated before Federal and other Governmental agencies in a number of rate and service cases affecting the Port. Among many other cases we were successful in scaling down the inland railroad freight differentials discriminating against the Port and also in equalizing rail rates on export grain from the Great Lakes.

The Port Authority, in accordance with the directives of the two States, has been carrying forward this work of port promotion and the protection of its traffic structure for the past thirty years. It is a continuing and effective program which has earned the respect of the Federal regulatory agencies and of the competitive ports. During 1952, approximately $500,000 was appropriated for this work of promoting and defending the commerce of the New York-New Jersey Port area.

The continued prosperity of the Port is intimately related to the promotion of its commerce.

The Port Authority's Plan to Improve Waterfront Labor Conditions

SINCE the appointment of the New York State Crime Commission by Governor Dewey in 1951, the Port Authority has been working actively with that Commission. Shortly after its creation, we informed the Commission's Chairman that the full resources, files, studies and experience of the Port Authority were available to him and his Commission. Late in 1951, similar offers of assistance were made to the Administrative Director of the New Jersey State Department of Law and Public Safety.

Throughout 1952, we worked in close cooperation with the New York State Crime Commission. Extensive portions of our files having to do with complaints against the public loaders and similar waterfront conditions were turned over to the Commission. On several occasions a member of our staff appeared before the Crime Commission in executive session. Finally, on December 30, 1952, the Commissioners of the Port Authority approved for submission to the New York State Crime Commission a specific statutory plan to improve labor conditions and combat crime on the New York waterfront. (The plan was formally presented to the New York State Crime Commission in public session on January 29, 1953 by Walter P. Hedden, our Director of Port Development. Copies were sent also to the Attorney General of New Jersey and the New Jersey Law Enforcement Council.)

The plan is predicated on findings that the methods now used for hiring longshoremen and the manner of conduct of the public loading business are uneconomic, unjust and degrading insofar as the worker is concerned, foster waterfront crime and corruption, and adversely affect the economical and expeditious handling of Port commerce; and that regulation in the public interest is therefore essential.

Nature and Scope of the Plan

The recommended regulatory scheme involves three basic controls:

1. Registration of longshoremen, and licensing of hiring agents and public loaders,—only persons of good character and integrity would be licensed and the license could be revoked for cause at any time;

2. Public operation of regionally located employment exchanges,—replacing the wasteful and inhuman "shape-up" method, providing information as to available employment and flexibility in obtaining such employment, without interference with employer-employee freedom of selection or with provisions of labor agreements;

3. Regulation of public loader services and charges to insure that they are just, reasonable, non-discriminatory and assessed only for services actually requested and performed. Steamship lines, stevedores, railroads, waterfront warehousemen and shippers and truckmen would be encouraged to perform their own loading service by being exempted from licensing.

The plan would be administered within an appropriate executive department of the State government in which would be designated an officer, such as a "Port Labor Director," to give full and direct supervision to the administration of the regulatory system and to assure complete and informed review of proceedings affecting revocation of licenses.

The head of the administering department would be charged with the duty of making investigations, collecting and compiling information and reporting to the Governor and Legislature upon the conditions of waterfront labor generally and to make recommendations looking toward the establishment and maintenance of regular employment and restoration of decency and dignity in working conditions for waterfront labor.

Recommended Licensing Regulations

A license would be required by any person who wished to act at a pier or other waterfront terminal as a longshoreman, hiring agent or public loader. An exception designed to encourage operators of waterfront terminals and warehouses to offer loading service exempts from the licensing requirement carriers by water, stevedores, railroads, warehousemen or others performing loading or unloading operations on their own property and truckers, shippers, and consignees loading or unloading waterborne freight owned or being carried by them, in the regular course of their business.

No person would be granted a license unless the Port Labor Director was satisfied as to his good character and integrity. Conviction of a crime involving moral turpitude or conviction of violation of the licensing requirements, would disqualify an applicant. However, if a license applicant submitted satisfactory evidence of good conduct for a period of not less than one year if he wished to be a longshoreman, or for a period of not less than five years if he wished to be a hiring agent or public loader, then the Port Labor Director might in his discretion waive this statutory disability. Where the license application is by a partnership, corporation, association, etc., the qualification of good character and disqualification for criminal conviction would apply to each principal participant in the venture.

Membership in any union which represents longshoremen would be an additional ground for disqualification of a person seeking to act as a hiring agent or public loader, except in the case of longshoremen who, as members of a longshoremen's partnership, acting as a public loader, occasionally employ others. This provision carries out the recommendation of the shipping interests that the hiring agent should be responsible only to management and is in line with the recent recommendations to the International Longshoremen's Association, by its counsel, that boss loaders should not also be union members.

The hiring agent's license would authorize him to act only for the particular employer by whom he was formally nominated. He could not act for more than one employer, but there would be no limitation upon the number of hiring agents any employer might have and the employer would be free to choose anyone who met the license requirements.

Public loaders,—(this term being confined by definition to the employing "boss loader," the actual workman being covered under the definition of "longshoreman")—would pay a license fee of $300 and post a performance bond for the benefit of any person he damaged in the course of his business.

The term of the public loader license would be two years; the license to longshoremen to continue for the life of the licensee; but all licenses would be subject to revocation or suspension by the Port Labor Director for cause at any time.

A longshoreman's license would lapse in the event of his failure to work or report for employment on at least 40 days in any six-month period but could be reinstated after a year. Provision would be made to prevent lapse for those unable to work because of military service or disability. This provision for lapsing licenses would be designed to promote more regular and steady work for longshoremen who devote themselves to this employment and to improve their earning capacity. Records of the New York Shipping Association show that over 14,000 longshoremen spend only 100 hours a year in waterfront employment. This contributes largely to the chaotic employment situation and low annual earnings of regular workers in the industry.

Grounds for suspension or revocation of licenses by the Port Labor Director, in addition to certain specified acts or conduct evidencing lack of the requisite good character, would include:

1. Violation or neglect to comply with any of the requirements of the statute or of rules and regulations promulgated by the department pursuant thereto;
2. Conviction of crime involving moral turpitude;
3. Failure or refusal to appear or testify before any court or official body or refusal to answer any question on the grounds of constitutional privilege or refusal to waive immunity from prosecution on account of any such testimony;
4. In the case of hiring agents, soliciting or accepting anything of value from any person other than his employer as consideration for the selection for employment of any longshoreman,—so that a man can get a job without a kick-back to the hiring boss;
5. In the case of public loaders, demanding payment for services not requested and performed or use of force, threats or intimidation to hinder or interfere with loading and unloading activities of other persons;
6. Conduct of the public loader's business at any pier, waterfront warehouse or other terminal without having filed with the department the written permission of the owner, lessee or other operator thereof to conduct his business there;
7. Continued union membership by boss loaders.

A licensee would have to be given notice of any charges made against him and he would be entitled to a hearing before the Port Labor Director or his deputy at which he could appear, have counsel and cross-examine witnesses. Any person or public officer could prefer charges against a licensee with the Port Labor Director. The Port Labor Director would be authorized to issue subpoenas and administer oaths to witnesses and would not be bound by formal rules of evidence or procedure. A refusal to issue a license or decision to revoke or suspend a license would be subject to court review.

Regional Employment Exchanges

The plan would replace the "shape" at each pier with regional employment exchanges, the precise number and location of which would be determined by the administering department. All hiring of longshoremen (except by the week or longer period) for a particular pier would be through the regional employment exchange designated to serve that pier. The department head would establish and the Port Labor Director would keep a system of records and communication with the employers and workers designed to provide maximum possible information as to available employment for longshoremen and the availability of longshoremen for such employment.

Public Loaders' Charges

Public loaders' charges and services would be required to be just, reasonable and non-discriminatory. The license application would have to be accompanied by a schedule showing proposed rates and charges and the classifications, practices and regulations affecting them. These schedules would be subject to the approval of the department head, could not be changed except after thirty days' notice to him and to the public, and would be posted at all times when and places where the public loader conducted his business. The department head could, upon complaint, or upon his own initiative at any time, hold hearings concerning the lawfulness of any public loaders' charges or services, and could direct revision thereof. Determination of the department head with respect to public loaders' rates and charges would be subject to court review.

Port Labor Employment Tax

A port labor employment tax to be paid by carriers by water, stevedores and public loaders employing longshoremen within the New York portion of the Port of New York District would be assessed to defray the cost of administering this program. The tax as to each such employer would be fixed at the rate of one per cent of the gross payroll payments to longshoremen hired at the employment exchange and one-half of one per cent upon the gross payroll payments to longshoremen employed by the week or longer period. To defray the initial costs, an appropriation of $500,000 would be required.

Proposed Criminal Penalties

Any person who obtained or attempted to obtain any license under the proposed statute by any false or fraudulent representation, or who engaged without a license in any of the activities for which a license is required, or who otherwise violated any of the provisions of the statute would be guilty of a misdemeanor. Each offense would be punishable by a fine of not less than $50 nor more than $100, or by imprisonment for a term of not less than 30 days nor more than 60 days, or by both such fine and imprisonment, provided, however, that any person engaging in the activity of hiring agent or public loader without the required license therefor would be subject to a fine of not less than $100 nor more than $500, or by imprisonment for a term of not less than six months nor more than one year, or both, for each offense.

The Port Authority has four trade promotion offices in the United States and one in Brazil. Left above, George H. Weiss, manager of our Chicago office, right, discusses the harbor's advantages with officials of S. C. Johnson & Son, Inc. in Racine. Right above, officials of the Euclid Road Machinery Co., Euclid, Ohio, make plans for shipping via New York with Charles J. Hafner, manager of our Cleveland office, right. On the opposite page an M-4 tank, part of one of the many Mutual Defense Assistance Program shipments brought through the harbor through the efforts of our Washington office, is loaded aboard ship.

Pre-eminence of the Port Depends Extensively on Proper Trade Promotion

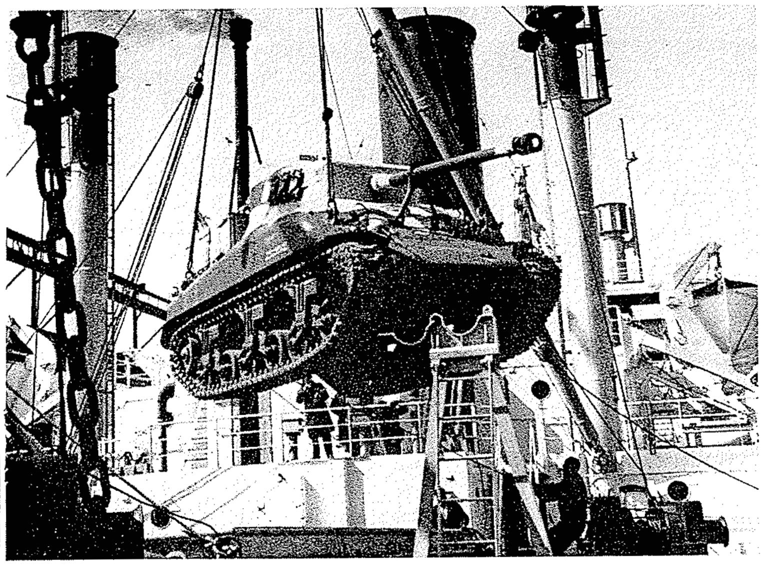
THE continued pre-eminence of the Port in the volume of the foreign trade it handles is dependent to a great extent upon shipper satisfaction and information on precise rates and services required by the prospective shipper. This requires expert traffic counseling, assistance, informational service, and active servicing of shipments.

At its offices in Chicago, Cleveland, Washington, D. C., and Rio de Janeiro, Brazil, as well as in the Port District, the Port Authority maintains a team of representatives who see to it that shippers are fully apprised of the Port's great money-and time-saving advantages.

This year, for example, a Cleveland exporter elected New York as the shipping point for a huge Genoa-bound shipment of machinery when he was shown that, by so doing, he could make substantially quicker delivery. When the cargo arrived at the Port there were only two hours to move it from the railroad lighterage terminal to shipside. Working in close cooperation with the heavy-lift agency, the railroad, the steamship line and the forwarder, our Promotion Division representatives were able to get the machinery aboard a vessel just about to sail and thereby saved three weeks' time for the importer, a feat the exporter probably could not have managed without expert assistance, or in a port which could not offer the wide range of sailings available here.

Importers of six shiploads of fresh frozen beef tentatively decided to distribute these through several ports because they thought that all six could not be unloaded quickly at New York. By recording the actual speed of the first two operations—which proved that rate of discharge was twice that anticipated—Port Authority representatives were able to get the whole lot routed through New York.

In another instance the manager of our Rio office was able to bring forty-eight diesel locomotives through New York by showing that a two weeks' saving in time of delivery could be made. This more than offset the inland rate differential favoring the port through which the shipment was originally scheduled. Again our Rio man-



Speeches by the Port Authority Commissioners and staff, and facility and harbor inspections, constitute one of the most important phases of our port promotion program.
1. Commissioner S. Sloan Colt addressing the National Foreign Trade Convention in New York City.
2. Commissioner John F. Sly speaking at a dinner sponsored by the Newark Chamber of Commerce.
3. Executive Director Austin J. Tobin speaking at a special Port of New York meeting of the St. Louis Export Managers Club in St. Louis.
4. Port Authority officials showing our facilities to members of the Bi-State Development Agency of the Missouri-Illinois Metropolitan District.

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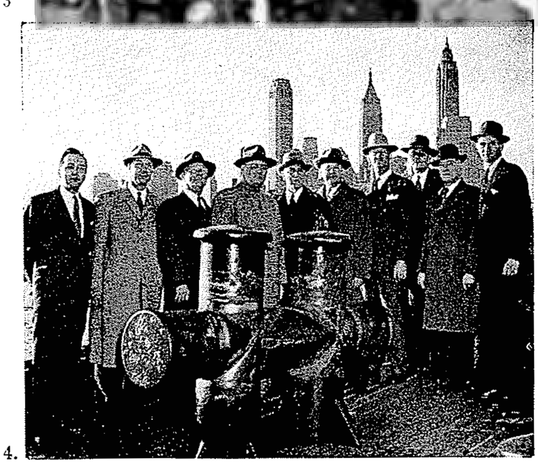
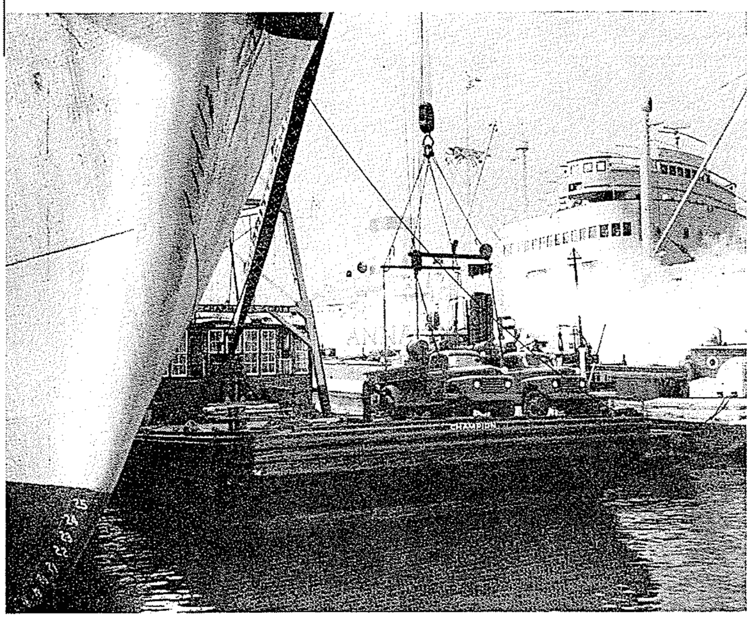
4. 

ager pointed out a savings in trans-shipment costs in South America on several pieces of machinery destined for Brazil by demonstrating that direct shipping service to a destination point up the Amazon River, lacking at the U. S. port from which the shipment was originally scheduled, could be obtained at New York.

Opened during 1951 to cover all Latin America, the Rio office has added a new, most important service to the Port Authority's trade promotion program—the sort of direct, personal service to the foreign shipper that it has been giving the domestic shipper since the first field office was opened in Chicago seven years ago.

Specifically, the principal day-to-day opera-



A railroad tug, above, part of the harbor's flexible water belt line, moves down the harbor with a float of freight cars.

One of the most important advances in port promotion was the voluntary pledge by the railroads serving New York to remove heavy-lift charges on export machinery, such as the fire engines at the left, weighing up to and including twenty-five tons.

Below, Edward K. Laux, Port Authority Traffic Manager, testifies before Interstate Commerce Commission Examiners on rail-water freight rates, one of the matters taken up in our efforts to improve rates and routes for transportation. Attorney Samuel Moerman of the Port Authority's Washington office, lower left, presented the case.

tion of the field offices is providing shippers with the most complete and up-to-date information on rates, proper packing, cargo routing and other ways and means of taking advantage of the extraordinary shipping facilities and services of the world's greatest port, including the great frequency of ship sailings and the wide selection of routes, both unsurpassed anywhere.

To save the shipper money, the Port Authority originated a system of consolidating mixed-export lots into one shipment. The system is applicable to truck as well as to railroad freight, and takes advantage of the fact that many New York steamship lines offering services to numerous widely-scattered ports load their vessels at single or adjacent piers. The exporter consolidates his shipments so that they require not more than five shipside deliveries per carload. The railroads then will make two of the deliveries free and the rest at charges considerably less than the truck-transfer rates on separate small lots.

The plan is now being used by some 60 important industries in the Midwest, and the list is growing.

Besides consulting on export-import shipper problems in Maryland, Virginia, West Virginia and southeastern Pennsylvania, our Washington office maintains contact with Congressional committees and Government agencies on matters of importance to the Port of New York.

The Port Authority's promotional services include the distribution of its monthly commerce magazine, "Via Port of New York" to thousands of exporters, importers and transportation executives; the preparation and distribution of maps, leaflets and brochures, including the recent 68-page brochure about the Port entitled "The Port of New York"; exhibits for stores, banks, trade fairs and conventions; speeches and the showing of film strips before traffic and transportation groups, civic associations, service clubs, church groups; and harbor inspection trips.

The Port Authority Works for Better Rates and Routes in Transportation

The Port Authority's objective in concerning itself about transportation routes and rates as they affect the Port District is two-fold:

1. The correction of situations within the Port District that hamper commerce locally, such as the eastern railroads' added charges for unloading fresh fruits at their Manhattan waterfront pier stations, and the motor carriers' extra charges for delivery to upper floors of buildings even when equipped with truck elevators.
2. The preservation and enhancement of the Port of New York's position in relation to all other competitive ports.

Perhaps the most significant accomplishment in which the Port Authority participated during 1952 was the voluntary correction by the railroads of the distorted postwar differentials between New York and other ports for most class- and commodity-rated freight moving both ways between the seaboard and the midwestern states east of the Mississippi and north of the Ohio Rivers.

For many decades inland railroad rates applying to export-import freight have been established on what is known as a "port differential" basis. This system imposed sizeable handicaps on the Port. Thus, inland prewar rail rates applying to foreign trade were from 60 cents per ton to \$3.60 per ton more to the Port of New York than to all other ports (except Boston). These differentials were seriously disturbed when, during the postwar rush of rising costs, the Interstate Commerce Commission helped the railroads keep pace by authorizing increases in rail rates—but expressed in percentages instead of dollars and cents. Thus the differentials were increased as well as the rail rates.

By 1950 the per-ton difference between Baltimore and New York, for instance, had jumped from the "normal" 60 cents to $1.20 a ton on some goods and, as between New York and Gulf ports, from $1.20 to $3.60. For example, before World War II it cost $12 a car more to ship farm implements from Minneapolis to New York than from Minneapolis to Baltimore. By 1950 New York's disadvantage compared with Baltimore had risen to $20 per car. Compared with New Orleans, New York's disadvantage on this same shipment rose from $32 a car in 1940 to $120 a car by 1950.

When it approved the last percentage increases for inland rail rates on May 2, 1952, the I.C.C. did so with the stipulation that after the increases became effective the rates would be revised promptly by specific publication of tariffs restoring recognized port relationships in-cents-per 100 pounds. This coincides with the position that the Port Authority has taken in such matters. During the past year the railroads have been most cooperative in making possible what has turned out to be a long advance in the New York-New Jersey Port campaign against adverse differentials.

A $3,000,000 Food Item

The extra charges for unloading fresh fruits and vegetables at Manhattan pier stations, approved by the I.C.C. in October, 1948, and fought since then by the Port Authority, shippers, receivers and the produce trade, is an example of a "situation that hampers commerce locally" and threatens to disrupt the basic right of the consignee to have his freight made accessible to him at a point where he can reach it. This single item raised the annual food bill by an estimated $3,000,000 in the metropolitan area.

In May the I.C.C. rendered a compromise decision under which the charges were reduced by approximately 40 per cent. Specifically, rates were cut from $1.95 to $1.05 per ton on citrus fruits, $2.28 to $1.35 on deciduous fruits, and $2.60 to $1.65 on green vegetables. Since the extra-charge principle still stands and might be expanded to other commodities, the effort to eliminate it entirely continues. With the support of shippers and the United States Department of Agriculture, the Port Authority, therefore, filed a new complaint against the practice.

The Port Authority's position opposing extra charges on truck freight delivered at buildings equipped with interior truck elevators was sustained in the I.C.C. Examiner's report, but further hearings have been ordered.

When over-the-road motor truck carriers attempted to pass the burden of a New York State highway-use tax on to shippers in the form of a surcharge, the Port Authority, joined by the Shippers Conference of Greater New York, fought it. It is our position that the state levy should be treated as a general business expense, just as are gasoline imposts and registration fees in all states traversed by over-the-road carriers, and should not be specifically surcharged on New York rates.

The New York State Public Service Commission denied the carriers' rights to pass the tax on as an added charge on New York rates, but did allow it to be absorbed in a slight increase in the general rate level. An I.C.C. decision on the interstate case is pending.

Examiner Finds Against Penalty Charge

One of the year's most important developments in port protection was the United States Supreme Court decision equalizing railroad rates and free-time charges on Great Lakes export grain as between New York, Baltimore and Philadelphia, bringing victory for New York railroads and the Port Authority in a fifty-year-old dispute, and eliminating an adverse differential amounting to 33 cents a ton.

The decision, effective in January, 1952, brought a new rate cut by railroads serving Baltimore and Philadelphia in March to re-establish the differential, and a similar cut by New York railroads to again equalize at a new level. Both cuts were suspended by the I.C.C. pending new hearings, but the rates continue to be equalized.

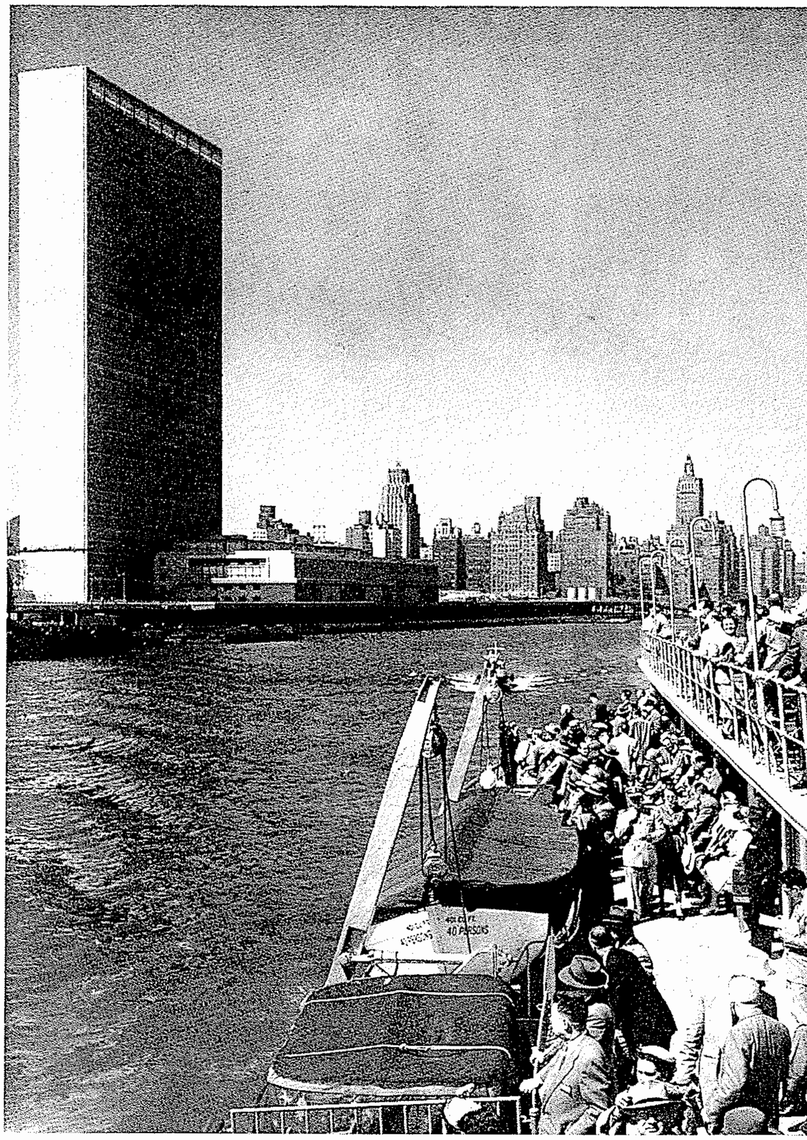
The Port Authority won a first-round victory in the Scandinavian woodpulp case when, in March, 1952, a Federal Maritime Board Examiner found that penalty charges of $1 a ton at New York and 50 cents a ton at Port Newark for delivery of woodpulp, assessed by five Scandinavian steamship lines, were "prejudicial and unjustly discriminatory."

To the steamship lines' allegations that high port costs warranted the differential, the Port Authority countered with facts and figures on the substantial improvements in cargo-handling facilities and services it has made at Port Newark. No final decision has been reached by the F.M.B. on its examiner's recommendation.

New Era in Cooperation Hailed

In a move which was hailed by Chairman Cullman as evidence of most helpful railroad cooperation, the New York railroads voluntarily pledged removal of the heavy-lift charges on all pieces of export machinery weighing up to and including twenty-five tons, a step long urged by the Port Authority and one we expect will mean a gain of 200,000 tons of exports a year. Up to now all heavy-lift pieces over three tons have been charged at a rate of about $1 per ton above the regular freight rate for heavy-lift service at New York, although such charges had been abolished previously at New Orleans and other ports. The change is to be effective in 1953.

Everything possible is being done to improve inter-coastal and coastwise shipping which is so important to the Port. As a result of World War II the number of lines providing coastwise service out of New York has shrunk from nine to three. Formerly these coastwise and inter-coastal lines contributed 30 per cent of the deep-sea general cargo harbor activity. The Port Authority, therefore, supported applications for permanent extension of temporary certificates for Seatrain Lines, Inc., operating to and from Savannah, Georgia, carrying loaded freight cars, and for the Newtex Steamship Company, carrying bulk sulphur from Louisiana and Texas ports. The I.C.C. granted indefinite temporary certificates in both of these instances.



Delegates from all over the U. S. and six foreign countries pass the United Nations Building on a Port Authority harbor tour for the U. S. Conference of Mayors.

(See page 89 for summary of port protection cases.)

ADMINISTRATION

SUMMARY

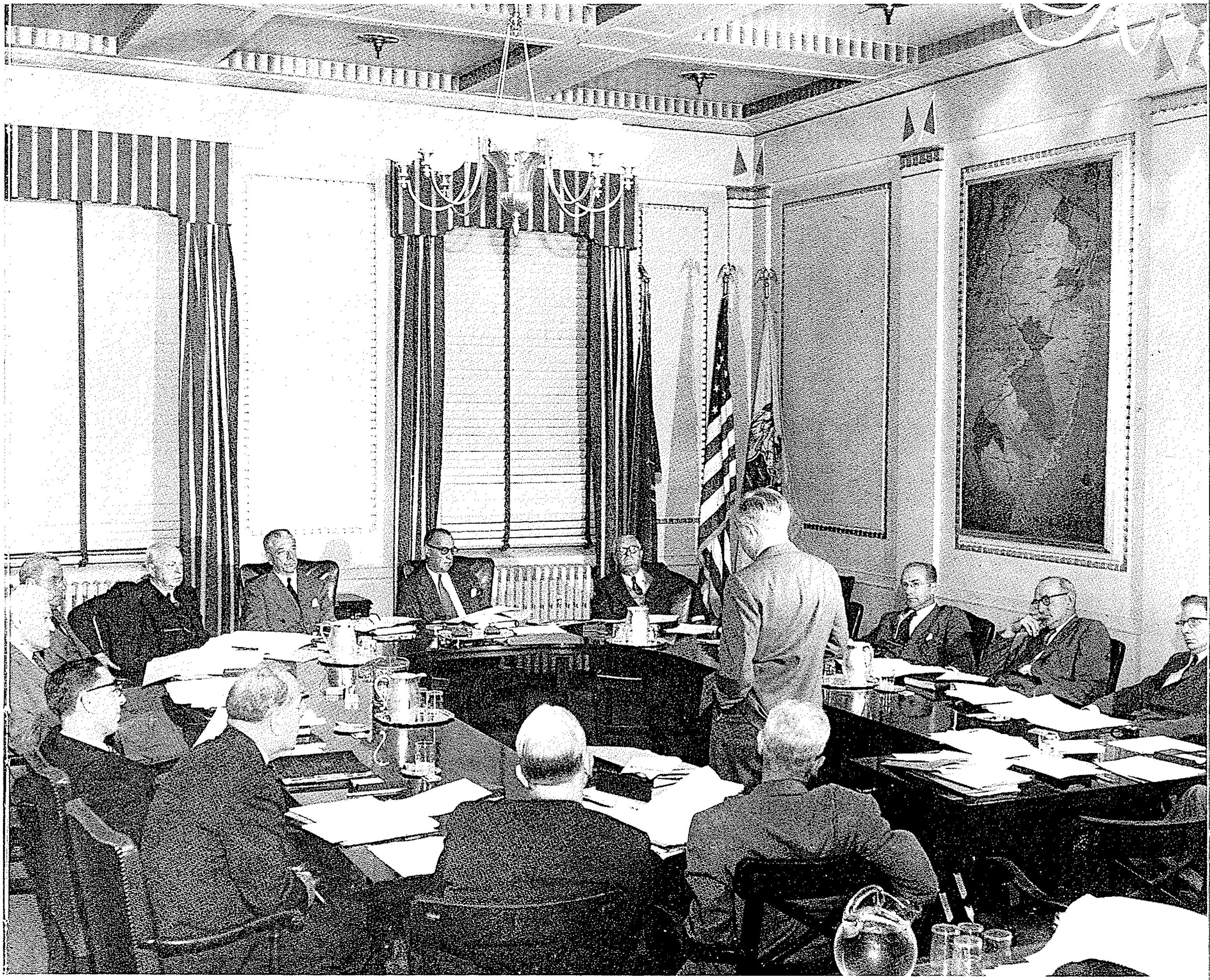
AT THE Annual Meeting for 1952, Howard S. Cullman was re-elected Chairman, and Joseph M. Byrne Jr., was re-elected Vice-Chairman of The Port of New York Authority for the eighth consecutive time.

The four standing committees were headed in 1952 by Commissioner Donald V. Lowe, chairman of the Committee on Port Planning, Commissioner Bayard F. Pope, chairman of the Committee on Finance, Commissioner Eugene F. Moran, chairman of the Committee on Construction, and Vice-Chairman Byrne, chairman of the Committee on Operations.

On May 2 a major staff reorganization of the Port Authority was put into effect. The basic objective of the reorganization was to centralize net revenue responsibility in four line department directors: The Director of Aviation; Director of Marine Terminals; Director of Inland Terminals, and Director of Tunnels and Bridges.

During the year the Port Authority staff increased by 318 persons chiefly because of the introduction of a forty-hour week for Port Authority policemen, because of the additional positions required to handle increased traffic and because of the addition of the Hoboken piers to the Port Authority's facilities. In keeping with the Board's policy of holding non-supervisory salaries at a level comparable with private companies and public agencies in the metropolitan area, a 5.6 per cent increase was granted to all employees who were earning less than $8,008 a year, which added $769,900, bringing the annual payroll at December 31, 1952 to about $16,689,000.

A Port Service Club to honor all employees who have been with the Port Authority twenty-five years or more was inaugurated in 1952. Chairman Cullman and Austin J. Tobin, Executive Director, and 125 employees of the Port Authority, all of whom passed the twenty-five year mark of service during the year, became members of the Service Club.



The Board of Commissioners receiving a staff report from Executive Director Austin J. Tobin. At the head of the conference table is Howard S. Cullman, Chairman. To Mr. Cullman's right, seated in that order, are Joseph M. Byrne Jr., Vice-Chairman, and Commissioners Bayard F. Pope, S. Sloan Colt, Horace K. Corbin, and Jess Harrison Davis. To Mr. Cullman's left, in that order are Commissioners Eugene F. Moran, Charles S. Hamilton, Jr., Chas. H. Sells, and John F. Sly. Not included in this photograph are Commissioners Donald V. Lowe and John Borg. Staff members shown with backs to camera, foreground, left to right, are Joseph G. Carty, Secretary of the Port Authority, Billings Wilson, Director of Operations, and Sidney Goldstein, General Counsel.

Chairman Cullman and Vice-Chairman Byrne Elected to New Terms

THE Commissioners of the Port Authority re-elected Howard S. Cullman to his eighth term as Chairman and Joseph M. Byrne Jr. to his eighth term as Vice-Chairman of the Authority at their annual meeting on January 10, 1952. [Chairman Cullman and Vice-Chairman Byrne were elected to their ninth terms at the annual meeting on January 15, 1953.]

A resident of New York City and prominent in business, philanthropic and theatrical circles, Chairman Cullman was first appointed a Commissioner in March, 1927 by the late Governor Alfred E. Smith. Since that time he has been reappointed to the twelve-man board successively by Governors Herbert H. Lehman and Thomas E. Dewey. He was Vice-Chairman for ten years prior to his first becoming Chairman in 1945.

Vice-Chairman Byrne was appointed to the Commission in July, 1934 by the late Governor A. Harry Moore. He was reappointed in 1940 by Governor Moore and again in 1946 by Governor Walter E. Edge.

Port Authority Commissioners are appointed by the Governors of their respective two States, New Jersey or New York, to serve for six-year terms. They serve without compensation. The appointments are staggered so that the terms overlap and thus afford continuity of the directorate.

On June 26 this year Governor Driscoll appointed Dr. Jess Harrison Davis of Hoboken, New Jersey, as a Commissioner to succeed F. Palmer Armstrong, whose term expired June 30. Dr. Davis' appointment began September 3 and will extend to July 1, 1957. He is president of Stevens Institute of Technology, Hoboken, a post he assumed in 1951. Dr. Davis had formerly been president of Clarkson Institute of Technology, Potsdam, New York and once served as head of the Department of Mechanical Engineering at the University of Louisville's Speed Scientific School. He has, in addition, worked with a variety of industrial concerns in a consulting capacity.

The Port Authority Commission is operated much like most directorates of large enterprises in that, to facilitate detailed study and review of all matters coming before it and in the interest of expediting and making more effective its subsequent actions, it leans heavily on four standing Commissioner committees for whose existence and authority it has provided in the by-laws. The four are the Committees on Port Planning, Finance, Construction, and Operations.

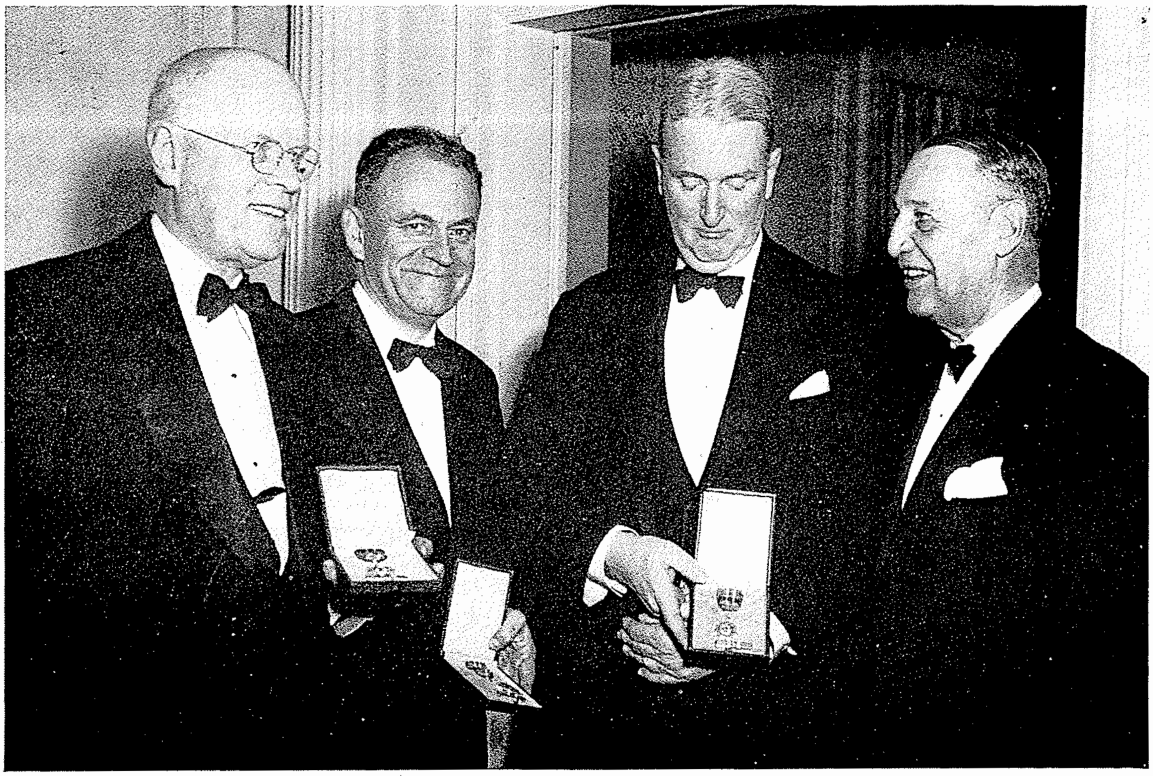
The Work of the Committees

All matters which require the Board's action come before it only after a review by and with the recommendation of the committee or committees concerned. And, since it has become increasingly impossible for the Commission as a whole to pass on every single matter involving Commissioner responsibility, final authority has been delegated to the committees on certain items, their action to be reported to the Board for its complete information.

Each committee has a membership of five with the Commissioners serving on two committees and with the Chairman and Vice-Chairman ex-officio members of all committees.

The Committee on Port Planning

Port Authority transportation and terminal studies are performed under the general supervision of the Port Planning Committee, which keeps informed on transportation and terminal needs in the Port District and makes its recommendations in the light of Port Authority policies and programs. This committee authorizes or arranges for Port Authority participation in proceedings before Congressional groups, the Courts



Three executives of the Port Authority were awarded the Distinguished Service Medal for thirty years of outstanding service. The presentation was made by Chairman Howard S. Cullman, right, a Distinguished Service Medal holder himself. Left to right, the recipients are: Wilbur LaRoe Jr., Associate Counsel; Walter P. Hedden, Director of Port Development, and Billings Wilson, Director of Operations.

of the United States and the States of New York and New Jersey, the Interstate Commerce Commission, the Civil Aeronautics Board and the Federal Maritime Board in matters of harbor regulations, airline routes, freight and ocean rates and any regulatory issues affecting the commerce of the New Jersey-New York Port District.

Commissioner Donald V. Lowe headed this committee in 1952 as chairman. Other members were Commissioner Horace K. Corbin, vice-chairman, Commissioners Joseph M. Byrne Jr., Bayard F. Pope and Charles S. Hamilton, Jr.

The Committee on Finance

The Committee on Finance establishes, or recommends to the Board, the basic financial policies of the Port Authority including those concerning the management of its debt, financial reserves, investment of funds, insurance, accounting and auditing.

It appoints paying agents and registrars in connection with Port Authority bonds, notes and other securities and obligations. It authorizes sinking-fund or reserve-fund payments out of revenues or funds available for such purposes. It authorizes payments out of the General Reserve Fund for purposes for which such funds may be applied; establishes sinking funds for bond retirements and, when necessary or desirable, calls or authorizes the call on all Port Authority bonds. It selects depositories for Port Authority funds; authorizes or arranges for insurance policies and surety bonds; arranges for the auditing of Port Authority books and accounts by independent accounts, and supervises, generally, Port Authority books and accounts.

In 1952 this committee's membership consisted of Commissioner Pope, chairman, Commissioner S. Sloan Colt, vice-chairman, and Commissioners Corbin, John Borg and John F. Sly. Commissioner Sly replaced F. Palmer Armstrong when the latter retired from the Board in September.

Commissioners—New Jersey

JOSEPH M. BYRNE JR.

of Newark, president of Joseph M. Byrne Company, insurance brokers, has been active in business, civic and philanthropic matters in Newark for many years. A member of the New Jersey State Legislature in 1932, he was later a member of the City Commission of Newark. He served with the National Guard on the Mexican border, and in France during World War I. Appointed to the Port Authority by Governor A. Harry Moore in July, 1934, he was reappointed by Governor Moore and Governor Walter E. Edge. He was first elected Vice-Chairman of the Port Authority in February, 1945.

DONALD V. LOWE

of Tenafly, New Jersey, president of the Lowe Paper Company, is an officer and director of many businesses and associations. He is a director of the New Jersey Manufacturers Association Insurance Companies, and state chairman of the Citizens Committee for the Hoover Report. He is active in school, civic and church affairs. Commissioner Lowe was appointed to the Port Authority by Governor Walter E. Edge in January, 1945, and reappointed by Governor Driscoll.

HORACE K. CORBIN

of West Orange, New Jersey, president of the Fidelity Union Trust Company of Newark and director of the Prudential Insurance Company and many other insurance, business and industrial organizations, is one of New Jersey's most prominent bankers. Greatly interested in civic and philanthropic affairs, he is a charter trustee of Princeton University. Commissioner Corbin was appointed to the Port Authority in May, 1948 by Governor Driscoll.

JOHN BORG

of Hackensack, New Jersey is chairman of the board of the Bergen Evening Record, Hackensack. Until recently he was the publisher of this major New Jersey daily newspaper. Earlier in his career Commissioner Borg served the Port Authority from July, 1938 until January, 1945 under appointments by Governor A. Harry Moore and Governor Walter E. Edge. He was reappointed to the Commission by Governor Driscoll in May, 1950.

JOHN FAIRFIELD SLY

of Princeton, New Jersey is Professor of Politics at Princeton University and director of the Princeton Surveys in State and Local Government. Dr. Sly has taught in a number of leading American universities and is the editor and author of many works in the field of state and local government. He served in the 210th Regiment of the Engineers in the United States Army in 1918. Chairman of the New Jersey State Commission on Tax Policy since 1944 and a member of numerous other advisory commissions in state government, Commissioner Sly was appointed to the Port Authority in May, 1951 by Governor Driscoll.

JESS HARRISON DAVIS

of Hoboken, New Jersey, president of Stevens Institute of Technology in Hoboken, was appointed a Commissioner by Governor Driscoll on June 26, 1952. Dr. Davis has been president of Stevens Institute since 1951. Formerly he was president of Clarkson Institute of Technology, Potsdam, New York and at one time served as head of the Department of Mechanical Engineering at the University of Louisville's Speed Scientific School. He served as president of the New York State Association of Engineering Colleges in 1950. He is a director of the Hoboken Bank for Savings.

Commissioners—New York

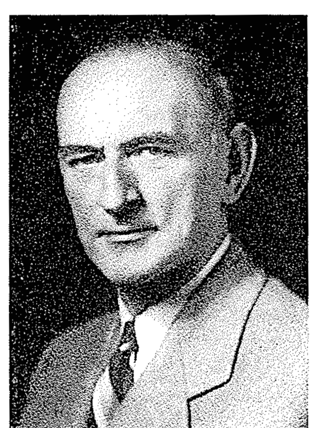
HOWARD S. CULLMAN,
vice-president of Cullman Bros., Inc., and an officer and director in many important business and banking enterprises, is one of the leading citizens of New York, noted for his investments in the theater and his activities in civic, philanthropic and medical circles. He was appointed a Commissioner to the Port Authority by Governor Alfred E. Smith in March, 1927, and reappointed by Governor Herbert H. Lehman and Governor Dewey. He was first elected Vice-Chairman of the Port Authority in September, 1934, and he has been Chairman since February, 1945.

EUGENE F. MORAN
of Brooklyn, New York, chairman of the board of the Moran Towing and Transportation Company, Inc., was for thirty years chairman of the Maritime Association of the Port of New York's Committee on Rivers, Harbors and Piers. Following distinguished service in the Navy in World War I, he was discharged in 1921 with the rank of lieutenant commander. Commissioner Moran was first appointed to the Board by Governor Herbert H. Lehman in February, 1942, and reappointed by Governor Dewey in September, 1948.

BAYARD FOSTER POPE
of New York City, chairman of the board of the Marine-Midland Corporation, is an outstanding figure in the business and banking community, as well as a leader in civic and welfare organizations. In November, 1951 he was awarded the gold medal of the National Institute of Social Sciences for "services to humanity." Chairman of the Community Service Society of New York, he is also a trustee of the National Foundation for Infantile Paralysis and a director and member of the executive committee of The Greater New York Fund. He was appointed to the Port Authority by Governor Dewey in February, 1944, and reappointed in January, 1950.

S. SLOAN COLT
of New York City, president and director of the Bankers Trust Company since 1931, is a leader in the financial, business, civic and philanthropic affairs of his community. He has served as president of the New York State Bankers Association and he is treasurer and director of the Metropolitan Opera Association. A corporal when he entered World War I, he rose to the rank of major. Commissioner Colt was appointed to the Port Authority by Governor Dewey in April, 1946, and reappointed in February, 1950.

CHARLES S. HAMILTON, JR.,
of Pleasantville, New York is a member of the law firm of Sullivan & Cromwell. He takes an active interest in state and local government, and is a member of the Westchester Park Commission. He was appointed to the Port Authority by Governor Dewey in June, 1947.



CHAS. H. SELLS
of Cross River, Westchester County, New York is a consulting engineer with offices in New York. Formerly Superintendent of Public Works for the State of New York, he was also Westchester County Engineer and the county's first Commissioner of Public Works. He was in charge of the building of supply lines in Iran under the Lend-Lease agreements. Commissioner Sells was appointed to the Port Authority in January, 1949 by Governor Dewey.

The Committee on Construction

The Committee on Construction has general supervision over all construction of new projects, additions to existing projects and major capital improvements. It has authority to authorize or arrange for construction contracts within appropriations made for these purposes.

Members of this committee in 1952 were Commissioner Eugene F. Moran, chairman, Commissioner Armstrong, vice-chairman—replaced, on termination of his Board term, by Commissioner Jess Harrison Davis—and Commissioners Borg, Chas. H. Sells and Sly.

The Committee on Operations

The Committee on Operations has general supervision over the operation and maintenance of all facilities and properties operated by the Port Authority, and over Port Authority personnel matters. Within the appropriations and authorizations made by the Board this committee authorizes and arranges for contracts for facility maintenance, repair or rehabilitation, and for the acquisition and purchase of equipment, tools, materials, supplies and other personal property necessary for operations. It has authority to adopt, rescind or modify regulations governing the use of facilities, to establish or recommend tolls, fees or other facility-use charges, and to authorize leases, permits, contracts and agreements for the use of facilities and properties.

Its members were Commissioner Byrne, chairman, Commissioner Hamilton, vice-chairman, and Commissioners Moran, Colt and Lowe.

Staff Carries Out Policies

Serving directly under the Board, and entirely responsible to it for staff performance in the carrying out of its policies, is the Executive Director, Mr. Austin J. Tobin. By the end of 1952 the staff numbered 3,640 members, and includes the following department directors and key personnel:

J. E. Carroll, Director of Terminals; Joseph G. Carty, Secretary; Karl G. Clement, Comptroller; Robert S. Curtiss, Director of Real Estate; John D. Foster, Personnel Director; Fred M. Glass, Director of Aviation; Sidney Goldstein, General Counsel; Walter P. Hedden, Director of Port Development; Lee K. Jaffe, Director of Public Relations; A. L. King, Director of Marine Terminals; Dr. S. I. Kooperstein, Medical Director.

And C. J. Kushell, Jr., Director of Finance; John M. Kyle, Chief Engineer; Matthias E. Lukens, First Assistant to the Executive Director; James Clark McGuire, Director of Purchase and Administrative Services; Thomas S. Menkel, Special Assistant to the Executive Director; Eugene A. Mintkeski, Treasurer; A. Z. Schneider, Assistant to the Executive Director; William M. Schwarz, Manager Property Acquisition; Billings Wilson, Director of Operations and Director of Tunnels and Bridges.

Staff Responsibilities Realigned Under the Reorganization Plan

On May 2, after several years of preliminary discussion and an intensive study by staff and outside management consultants, the Executive Director recommended a major staff reorganization. The Port Authority's additional and growing responsibilities for airports, rail, bus, truck and marine terminals, bridges and tunnels made this substantial modification and adjustment of staff responsibilities necessary.

The major objective of the reorganization was to centralize "net revenue" responsibility in four key department directors—for airports; for marine terminals; for bus, rail and truck terminals, and for tunnels and bridges. This was done by placing all of the major "line" responsibilities—development, negotiation, operation

New York Legislators on their third annual inspection of the Port alight from a plane to begin a tour of busy International Airport.

New Jersey Legislators inspecting a cargo terminal building at Port Newark during their third annual inspection of the harbor and Port Authority facilities. Matthias E. Lukens, First Assistant to the Executive Director, is addressing a group of them.

The Port Authority staff in session. Beginning with Miss Rosaleen C. Skehan, Assistant General Counsel, and reading clockwise around the conference table are Karl G. Clement, Comptroller; Thomas F. Donovan, Administrative Assistant; John D. Foster, Personnel Director; Fred M. Glass, Director of Aviation; August Z. Schneider, Assistant to the Executive Director; Austin J. Tobin, Executive Director; Matthias E. Lukens, First Assistant to the Executive Director; John M. Kyle, Chief Engineer; Daniel N. Mandell, Deputy Director of Tunnels and Bridges; J. Douglas Maynard, Assistant to the Director of Operations; James Clark McGuire, Director of Purchase and Administrative Services; Sidney Goldstein, General Counsel; Albert L. King, Director of Marine Terminals; Walter P. Hedden, Director of Port Development and Charles J. Kushell, Jr., Director of Finance.

and light maintenance—for airports in a newly created Aviation Department; for marine terminals in a new Marine Terminals Department; for bus, rail and truck terminals in a new Terminals Department, and for tunnels and bridges in a new Tunnels and Bridges Department. Each of these four line department directors is responsible to the Executive Director for the over-all success of the facilities in his department.

No substantial changes were made under the reorganization in the existing staff or service departments such as the Law, Engineering, Personnel, Finance, Real Estate and Public Relations Departments. On the other hand, there were major changes in the functions of the Operations and Port Development Departments.

The Operations Department became, in concept and in fact, a staff department with responsibility to insure through observation, studies and inspections, continuous, safe, efficient and courteous service to patrons and users of Port Authority facilities. As a service to the line departments, Operations also sets maintenance standards, provides technical maintenance service and advice, provides heavy maintenance crews, operates the central automotive shop, administers the police force and furnishes uniformed personnel to all facilities, sets safety standards, and conducts research and study.

The reorganization relieved the Port Development Department of day-to-day negotiations for revenue development at the marine and inland terminals, freeing it for more intensive concentration on the larger problems of port development in the field of advanced planning and trade promotion. For example, the department is directing the studies of a possible fourth Hudson River crossing. It developed recommendations for improvement in waterfront labor conditions for the New York Crime Commission. It is responsible for working out solutions satisfactory to the localities affected by plaza improvements at the George Washington Bridge, and it works closely with New Jersey and New York highway authorities to insure adequate protection of navigation where highway bridges over navigable streams are involved. The department continues to be responsible for the protection and development of the Port's rate structure and route structure, in all transportation fields, except air transport.

Under the reorganization the Real Estate Department's responsibilities, which had been almost wholly concerned with the development of revenue sources at the terminals, were expanded to include management of rented space in the Port Authority Building and the New York Union Motor Truck Terminal, and supervision of miscellaneous properties and tenancies at our various facilities. Tenant relocation programs, e.g., the relocation of some 900 residents in connection with the construction of the Third Tube of the Lincoln Tunnel, are also the responsibility of the reorganized Real Estate Department.

New Clinics Established

To keep pace with the health requirements and program of the growing Port Authority, the Medical Department was ready at the end of the year to establish new clinics, one at La Guardia Airport and the other at Newark Airport.

Office visits during the year increased from 19,262 in 1951 to 22,560, pre-placement physical examinations from 1,387 to 2,544, and annual examinations from 2,804 to 3,043.

In a survey of our Medical Department by the Institute of Administrative Medicine School of Health, at Columbia University, it was stated

Officers of the Port Authority Associates meet with Personnel Director John D. Foster, right. The others, left to right, are Rose Marie Reilly, secretary, Martha Thomas, vice-president, and Lawrence Friedman, president. The P.A.A., representing professional and office personnel, is one of three employee groups.

that: "If The Port of New York Authority is to be compared with all private companies of similar size, it can be said that its present program is superior to most."

Purchases On Centralized Basis

The Purchase and Administrative Services Department purchased on a centralized basis for all departments, operating equipment, supplies and services costing approximately $4,500,000, conducted port inspections for over 6,000 government officials, business and professional people from all over the world and most of the forty-eight states; served over 200,000 luncheons at employee cafeterias; produced approximately 6,700 new photographs, 2,000,000 square feet of ozalid reproductions and 76,000 photostats for planning, engineering, operational and other functions; exhibited in over thirty locations throughout the Port District, Midwest and Canada models and panels of Port Authority facilities, activities and plans for the development of

Chairman Howard S. Cullman speaking at the first luncheon of the Port Service Club, when 63 members of the staff were welcomed as charter members. Executive Director Austin J. Tobin is at Mr. Cullman's left, Bessie Moran, Chief Telephone Operator, at Mr. Tobin's left, and Winifred Cox, Clerk IV, at the Chairman's right. Both Mr. Cullman and Mr. Tobin are club members, having passed their quarter-century mark of service to the Port Authority.

the Port, and, through the Library, filled approximately 9,000 requests for information and made approximately 6,500 loans of books and other reference works.

Port Authority Employees Increase

There were 3,640 members of the Port Authority staff at the end of the year, an increase of 9.5 per cent over 1951 which was accounted for, in sizeable part, by the inauguration of the forty-hour week for policemen, the addition of other police positions to handle the increasing traffic at the Hudson River crossings, and the recruitment in preparation for the retirement of the first large group under the twenty-five year plan for the police force.

Forty-six employees were granted military leave and forty-seven returned from service, leaving the number on leave on December 31 at 158.

Of the 2,692 employees who applied for promotion under the Port Authority's merit system, 337 were promoted and 524 put on eligible lists.

More than 90 per cent of all Port Authority employees have enrolled in the New York State Employees' Retirement System through which they may obtain retirement benefits of up to half a year's salary, and substantial compensation in the event of death while in our service.

For many years the Commissioners have believed that salaries, working conditions and opportunities for advancement must compare favorably with those in progressive private industry if properly qualified candidates are to be drawn to our career service.

Salary Increases Authorized

To implement this policy, a survey is conducted annually by trained job analysts to determine the salary levels in private companies and state and municipal agencies in the metropolitan New Jersey-New York area, and to compare our wage scales with theirs. As a result of the 1952 survey the Board of Commissioners authorized an increase of 5.6 per cent for 3,483 persons who were receiving annual salaries of under $8,008. The increase was effective September 7.

In the Port Authority's comprehensive training program, maintained to further increase competence, 52 training courses were made available to employees in 1952, all job-related. We continued our supervisors' forum, our skills training program, and our training of junior administrative and professional assistants. Thirty-five have completed the trainee course in the five years since its inception and have gone on to responsible posts in the organization.

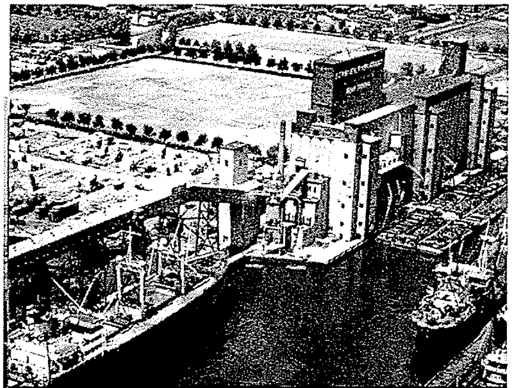
A hundred and seventy-five employees took advantage of the Education Refund Plan under which they are reimbursed for approved courses successfully completed at nearby colleges and trade schools.

In six months' time the newly-revised suggestion system resulted in the submitting of 2,240 ideas.

An important new award was established by the Commissioners. It is the Commendation Medal, given for unusually efficient service, characterized by specific good conduct, judgment or initiative. Six employees earned it in 1952, and four the Distinguished Service Medal which is awarded for unusually efficient or distinguished service.

A Port Service Club was formed for all employees who have been with the Port Authority twenty-five years or more. The Club's membership by the year's end was 188. Charter members, including the Chairman and Executive Director, were honored at a luncheon and presented with their awards.

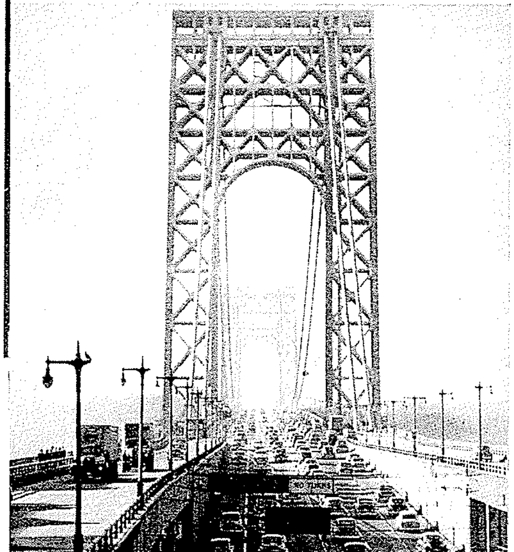
Among those who received the Commendation Medal during the year were Traffic Officers Bill Parker and Dan Ahearn of the Bus Terminal, who helped rescue two women and five children from a blazing building, and Harold Lay and Edwin Woodson of the Lincoln Tunnel, who prevented a serious accident when a driverless truck became a runaway. Left to right, the four traffic officers are Lay, Parker, Woodson and Ahearn. The medals were presented by Chairman Howard S. Cullman, photographed here with the four men and their families.



Port Authority Grain Terminal

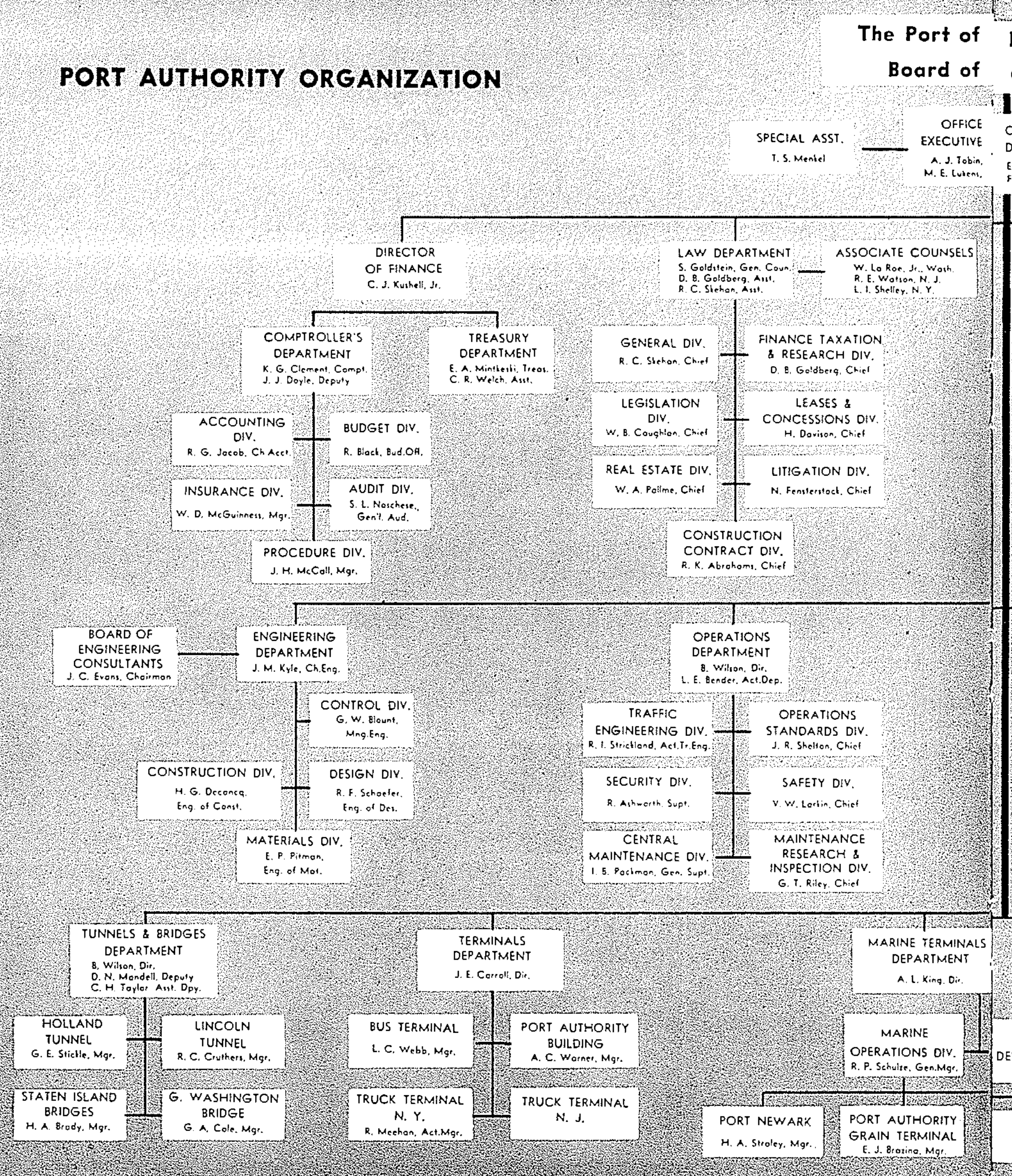
Newark Airport

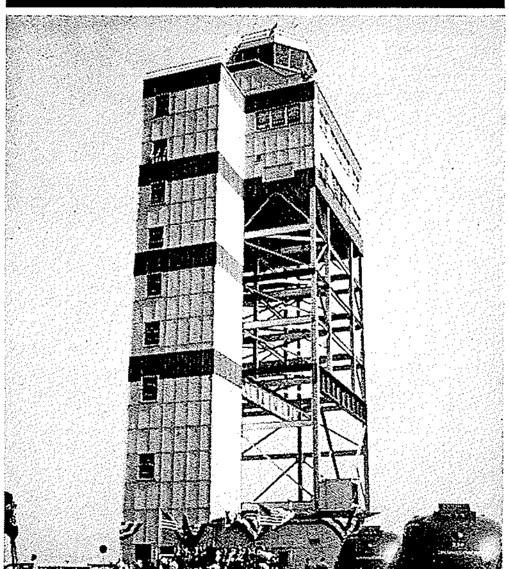
Holland Tunnel



George Washington Bridge

PORT AUTHORITY ORGANIZATION



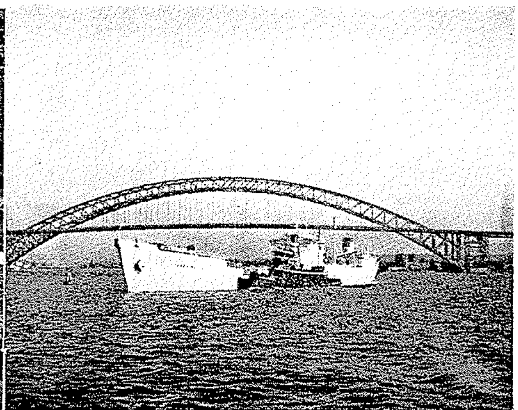


New York International Airport

Port Newark

Outerbridge Crossing

Port Authority Bus Terminal



Bayonne Bridge

Teterboro Airport

Hoboken-Port Authority Piers

of New York Authority
of Commissioners

FFICE
UTIVE
Tobin,
Lukens,

- OFFICE OF THE DIRECTOR — Ex. Dir.; First Asst.
  - J. G. Carty, Secy. to Bd; P. Hunter, Asst.
- PUBLIC RELATIONS DEPARTMENT — L. K. Jaffe, Dir.
- ASST. TO THE EXECUTIVE DIRECTOR — A. Z. Schneider
  - PERSONNEL DEPARTMENT — J. D. Foster, Dir.; W. E. McCarthy, Asst.
    - SELECTION & PLACEMENT DIV. — F. M. Lopez, Mgr.
    - CLASSIFICATION & SALARY ADM. DIV. — E. G. Bradfield, Chief
    - TRAINING DIV. — R. B. Johnson, Coord.
    - COMMUNICATIONS DIV. — D. Chumasero, Com.Ed.
  - MEDICAL DEPARTMENT — S. I. Kooperstein, Dir.
  - PURCHASE & ADM. SERVICES DEPT. — J. C. McGuire, Dir.; G. W. Baker, Asst.
    - PURCHASE & STORES DIV. — C. H. Reilly, Chief
    - SPECIAL SERVICES DIV. — A. E. Cresswell, Chief
    - OFFICE SERVICES DIV. — A. Prioletta, Chief
- PORT DEVELOPMENT DEPARTMENT — W. P. Hedden, Dir.
  - PLANNING DIV. — F. W. Herring, Chief
  - TRADE PROMOTION DIV. — L. W. Byrne, Chief
    - CHICAGO OFFICE — G. H. Weiss, Mgr.
    - CLEVELAND OFFICE — C. J. Hafner, Mgr.
    - LATIN AMERICAN OFFICE — J. Marcal, Mgr.
    - WASHINGTON OFFICE — L. L. Harvey, Mgr.
  - TRAFFIC MGT. DIV. — E. K. Laux, Traf.Mgr.
- REAL ESTATE DEPARTMENT — R. S. Curtiss, Dir.
  - COMMERCIAL DIV. — S. E. Chadwick, Mgr.
  - PROPERTIES DIV. — T. D. Tuomey, Mgr.
  - PLANNING DIV. — S. A. Kahn, Mgr.
- OFFICE OF PROPERTY ACQUISITION — W. M. Schwarz, Mgr.
- AVIATION DEPARTMENT — F. M. Glass, Dir.; J. R. Wiley, Deputy
  - AVIATION PLANNING DIV. — T. M. Sullivan, Chief
  - FORECAST & ANALYSIS DIV. — N. L. Johnson, Chief
  - AIRPORT OPERATIONS DIV. — H. F. Law, Gen.Mgr.
    - LA GUARDIA — V. A. Carson, Mgr.
    - NEWARK — A. H. Armstrong, Mgr.
    - NEW YORK INTERNATIONAL — G. M. McSherry, Mgr.
    - TETERBORO — W. M. Beveridge, Mgr.
  - LAND DEVELOPMENT DIV. — W. W. Gordon, Chief
  - AIR TERMINAL PROPERTIES DIV. — M. D. Kachman, Chief
  - AVIATION DEVELOPMENT DIV. — H. O. Fisher, Chief

ELS

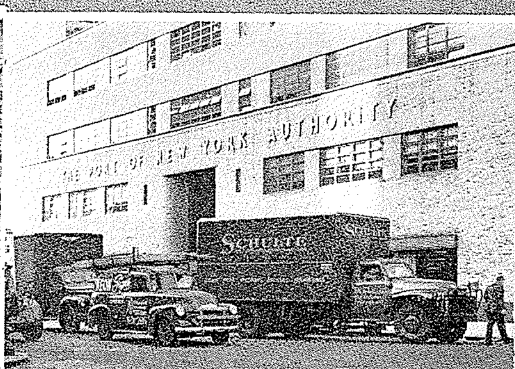
NALS
NT

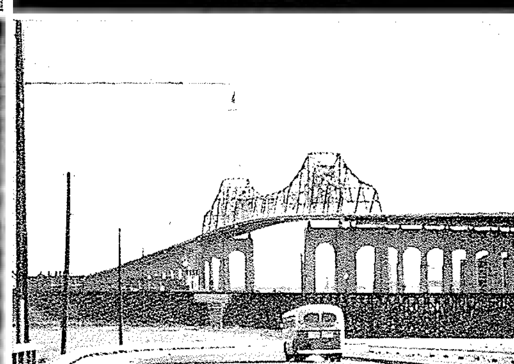
- MARINE DEVELOPMENT DIV. — J. L. Eyre, Chief
  - HOBOKEN-P.A. PIERS — C. V. Storer, Mgr.

La Guardia Airport

Newark Union Motor Truck Terminal

Lincoln Tunnel





FINANCIAL

SUMMARY

	1952	Change from 1951
Operating Results for the Year		
(Including Reserve Fund Changes)		
Gross Operating Revenues	$53,823,000	+7.1%
Operating Expenses	24,430,000	+16.0
Net Operating Revenues	29,393,000	+.6
Obligatory Debt Service	19,676,000	+23.2
Financial Position at the Year End		
Investment in Facilities	437,530,000	
Funded Debt	241,688,000	
Reserve Fund Balances	30,996,000	

Wall Street, primary market place for Port Authority bonds.

ONE of the most significant changes in Port Authority financial policy to occur in recent years culminated during 1952 with the adoption of a resolution establishing the new issue of Consolidated Bonds. This is a multi-purpose issue designed to finance all future Port Authority construction and refunding.

General and Refunding Bonds have heretofore been used to finance or refinance the six Hudson River and Staten Island crossings, the Port Authority Building, the Port Authority Bus Terminal, the Grain Terminal and Columbia Street Pier, and the New York and Newark Union Motor Truck Terminals. The four airports have been financed by Air Terminal Bonds, and Port Newark by Marine Terminal Bonds.

Prior to the adoption of the Consolidated Bond Resolution on October 9, and the initial sale of $35,000,000 of these bonds on December 10, the Port Authority under provisions of the Resolution establishing General and Refunding Bonds, for instance, could not issue such bonds for new construction of a major project. The October resolution covenants that the issuance of General and Refunding, Air Terminal and Marine Terminal Bonds will be discontinued and permits the issuance of Consolidated Bonds for any lawful purpose, provided only it is one for which the Authority is authorized by law to issue bonds secured by a pledge of the General Reserve Fund.

Creation of the Consolidated Bond issue—the name implying the ultimate purpose—followed upon the realization that the several types of bonds currently outstanding and issued in recent years as a result of the growth and increasing number of Port Authority terminal facilities, have sometimes made for complexity and confusion among investors, particularly with respect to the inter-relationship of revenues pledged to bonds of each type. The Consolidated Bond issue is designed to provide the medium for unification and simplification of the entire debt structure, enable a greater leveling out of debt retirement, and facilitate short-term financing.

Until the complete unification of all bonded indebtedness in bonds of one type is realized, however, the terms of the resolutions under which currently outstanding bonds were issued will, of course, continue to be governing.

All Consolidated Bonds are secured by a first lien on the net revenues of all existing facilities, subject only to existing liens in favor of the present General and Refunding, Air Terminal and Marine Terminal Bonds. Consolidated Bonds are further secured by the General Reserve Fund equally and ratably with bonds and notes heretofore or hereafter issued for which the Fund has been or will be pledged.

Consolidated Bond Reserve Fund

A Consolidated Bond Reserve Fund has been established by the Consolidated Bond Resolution as the counterpart of the Special Reserve Funds created for the benefit of the several other issues now outstanding. When all outstanding General and Refunding, Air Terminal and Marine Terminal Bonds have been retired any remaining balances left in their respective Special Reserve Funds will be paid over into the Consolidated Bond Reserve Fund.

The Port Treaty of 1921, which established the Port Authority and directed it to plan for the development of the Port District on an interstate regional basis, also directed it to finance its works without dependence on taxation. The Port Authority's subsequent management and planning have been such as to produce an accelerating growth of resources. As resources have increased, they have been applied consistently in accordance with the two States' statutory program that (1) surplus revenues from each facility be pooled in the General Reserve Fund and pledged to the support of the financial obligations of any and all Port Authority facilities, and (2) that the

The Financial Department staff discussing the 1953 budget. Left to right are: Herbert L. Houghton, Assistant Budget Officer; James J. Doyle, Deputy Comptroller; Andrew Lamb, Assistant to Director of Finance; J. Henry McCall, Manager Procedure Division; Karl G. Clement, Comptroller; Charles J. Kushell, Jr., Director of Finance; Eugene A. Mintkeski, Treasurer; Charles R. Welch, Assistant Treasurer; Robert G. Jacob, Chief Accountant; Silvio L. Noschese, General Auditor; William D. McGuinness, Insurance Manager.

General Reserve Fund be maintained at all times in an amount equivalent to 10 per cent of outstanding Port Authority bond indebtedness.

To carry on its heavy program, to which was added this year the operation of the Hoboken-Port Authority Piers, the initiation of Third Tube construction for the Lincoln Tunnel, and exploratory plans and surveys for a contemplated fourth Hudson River crossing, the Port Authority's maintenance of a sound financial position has been and will continue to be of paramount importance. This is particularly true in view of the fact that current and contemplated future projects, considered necessary to keep pace with constantly growing requirements for land, sea, and air terminals and vehicular crossings, may call for an expenditure of some $550,000,000 of capital funds in the next ten years.

In the year just ended, over-all Port Authority gross operating receipts amounted to $53,823,158 exceeding those of 1951 by 7.1 per cent. While total figures for both years are not exactly comparable because Port Authority operations at Hoboken did not begin until October 1, the effect on comparative figures was negligible.

Combined operating, administrative and development expenses were $24,430,000 as compared with $21,064,566 in 1951, an increase of 16 per cent. Again the effect of the Hoboken operation on comparative figures was negligible.

After payment of obligatory debt service, net revenues of $20,501,182, resulting from the operations of General and Refunding and Marine Terminal Bond facilities, were available for appropriations to reserves in compliance with statutory requirements and bondholder agreements. This was 8.8 per cent more than the 1951 figure. Conversely, a deficit in the amount of $1,276,705, resulting from the operation of facilities financed by Air Terminal Bonds, and the Hoboken-Port Authority Piers, financed by Consolidated Bonds, was covered by an appropriation from the General Reserve Fund.

The earnings of eleven facilities are pledged to secure General and Refunding Bond debt service. These facilities, which include the six bridges and tunnels, the four inland terminals and the grain terminal and pier, produced gross revenues of $43,400,667 in 1952, a gain of 6.6 per cent over those of 1951.

Total operating, administrative and development expenses of the group increased to $15,153,530, up 15.9 per cent. To a great extent this reflected the effect of salary increases granted to non-supervisory employees, the inception of a forty-hour police work week and wider insurance coverage. As a result, net operating revenues for these eleven facilities amounted to $28,247,137, an increase of 2.2 per cent.

The year's combined gross operating revenues of the four airports reached a new high of $7,918,524, which is 11.9 per cent over those for 1951. Operating and administrative expenses went up also, amounting to a combined total of $7,451,317, or an increase of 24.5 per cent over 1951. The resulting net operating revenue, $467,207, compares with $1,094,270 in 1951.

For the second successive year since the Port Authority assumed its management in 1948, Port Newark, the only facility financed by Marine Terminal Bonds, has produced revenues sufficient to defray all expenses including debt service. Gross operating revenues in 1952 amounted to $2,433,988, an increase of $105,933, or 4.6 per cent over the previous year. Operating, maintenance and development expenses for the year decreased 3.4 per cent to $1,711,767, and resulted in net operating revenues of $722,221 as compared with $556,247 in 1951, an increase of 29.8 per cent.

Since October 1, which marked the beginning of Port Authority operation, the Hoboken-Port Authority Piers' gross revenues amounted to $69,977. Operating and administrative expenses were $113,385, resulting in a net deficit of $43,408. This deficit was covered by appropriation of a like amount from the General Reserve Fund.

As of December 31 we had invested in seventeen facilities $437,530,238. Facility by facity, the figures are:

Holland Tunnel	$ 54,012,479
Lincoln Tunnel	108,586,586
George Washington Bridge	73,516,216
Bayonne Bridge	13,097,162
Goethals Bridge	7,364,537
Outerbridge Crossing	9,910,079
Port Authority Building	17,069,573
Port Authority Bus Terminal	23,432,214
Grain Terminal, Columbia Street Pier	3,081,758
New York Truck Terminal	9,970,631
Newark Truck Terminal	8,155,919
La Guardia Airport	6,695,078
Newark Airport	25,899,911
New York International Airport	49,936,873
Teterboro Airport	6,875,584
Port Newark	19,742,982
Hoboken-Port Authority Piers	182,646
Total	$437,530,238

The Port Authority continued to hold a strong financial position throughout 1952 and further expanded its policy of retiring bond indebtedness as rapidly as the available reserves would permit. During the year $19,000,000 of short term obligations were retired on their due dates. Serial maturity payments aggregating $6,190,000 were made in accordance with the provisions of the related bond resolutions.

General and Refunding Bonds with a par value of $1,294,000 were retired in anticipation of future sinking fund requirements and $20,000,000 par value of General and Refunding Bonds, Fifth Series, were redeemed by call at 102 per cent of par. As a result, notwithstanding the issuance of $35,000,000 of Consolidated Bonds to provide funds for new construction, and short term borrowings of $16,000,000, at December 31 the outstanding indebtedness of the Port Authority was $241,688,000 as compared with $237,172,000 at the previous year end, an increase of $4,516,000.

Three members of the Port Authority's Committee on Finance in 1952 confer. Left to right, they are Commissioners S. Sloan Colt, Bayard F. Pope, and John F. Sly. The other two members were Commissioners Horace K. Corbin and John Borg. This committee establishes or recommends our basic financial policies.

As of December 31, 1952 and December 31, 1951 the comparative balances of reserve fund accounts maintained in accordance with various statutory requirements and agreements with bondholders were as follows:

	Dec. 31 1952	Dec. 31 1951	Increase or (Decrease)
General Reserve Fund	$24,168,800	$23,717,200	$ 451,600
Special Reserve Fund	$ 6,476,876	$ 9,050,181	($2,573,305)
Marine Terminal Reserve Fund	$ 350,731	$ 189,289	$ 161,442
Totals	$30,996,408	$32,956,670	($1,960,262)

Total reserve funds, as itemized above, contain the following assets valued on a cash or cash equivalent basis:

	Dec. 31 1952	Dec. 31 1951	Increase or (Decrease)
U. S. Government Securities	$30,685,252	$31,701,741	($1,016,489)
Port Authority Bonds	—0—	$ 938,875	($ 938,875)
Cash and Accrued Interest	$ 311,157	$ 316,054	($ 4,897)
Totals	$30,996,408	$32,956,670	($1,960,262)

The General Reserve Fund balance of $24,168,800 on December 31, 1952 was equal to 10 per cent of the par value of all outstanding Port Authority bonds, as required, and the total reserves exceeded two years' debt service on the bonds of the Port Authority then outstanding. Thus, all requirements of resolutions regarding the administration of the various funds have been met. Likewise, all sinking fund requirements have been satisfied, and there were no balances in the sinking funds on December 31.

The detailed financial statements of the Port Authority presented in this section set forth the financial position of its various capital, operating and reserve fund accounts as at December 31, 1952 as well as its net revenues and reserve fund operations for the year then ended. Related supporting exhibits and explanatory notes are likewise included.

These statements and exhibits have been prepared from the financial accounts and records of the Authority which have been maintained in accordance with accepted accounting principles and practices and in conformance with the provisions of all related statutes and agreements.

Statement of Net Revenues and Reserves

	1943	1944	1945
NET REVENUES—(Note A)			
Gross Operating Revenues	$ 14,968,842	$ 17,775,840	$ 19,344,475
Operating Expenses	3,730,581	4,796,975	6,038,265
Net Operating Revenues	$ 11,238,261	$ 12,978,864	$ 13,306,210
Other Income	22,720	90,771	167,626
Net Revenues	$ 11,260,981	$ 13,069,635	$ 13,473,836
Debt Service	6,531,053	7,352,292	7,100,746
Available for Reserves	$ 4,729,926	$ 5,717,343	$ 6,373,088
RESERVES			
Additions to Reserves			
Revenues Available for Reserves as above	$ 4,729,926	$ 5,717,343	$ 6,373,088
Income from Reserve Fund Investments	146,337	219,296	670,897
Total Additions	$ 4,876,263	$ 5,936,639	$ 7,043,985
Deductions from Reserves			
General Reserve Debt Service	$ 824,200	$ 815,400	$ 911,211
Debt Retirement Acceleration	—0—	—0—	1,833,631
Capital Expenditures	—0—	500,000	1,000,000
Adjustment to Reduce Cost of Reserve Fund Securities to Market	—0—	—0—	—0—
Debt Refunding Expense	—0—	1,771,069	1,419,575
Restoration and Improvement—(Note B)	1,500,000	1,300,000	925,000
Employees Retirement and Insurance—(Note B)	—0—	—0—	—0—
Total Deductions	$ 2,324,200	$ 4,386,469	$ 6,089,417
Net Changes in Reserves	2,552,063	1,550,169	954,569
Reserves—End of Year			
General Reserve	14,168,555	15,718,724	16,673,293
Special Reserves	—0—	—0—	—0—
Total	$ 14,168,555	$ 15,718,724	$ 16,673,293
BONDS OUTSTANDING—END OF YEAR			
General and Refunding Bonds—(Note C)	$179,446,000	$179,372,000	$161,620,000
Air Terminal Bonds	—0—	—0—	—0—
Marine Terminal Bonds	—0—	—0—	—0—
Consolidated Bonds	—0—	—0—	—0—
Other—(Note C)	1,600,000	800,000	21,500,000
Total	$181,046,000	$180,172,000	$183,120,000

NOTE A—This total is presented for general information purposes; the net revenues of the various groups of facilities for the years listed were pledged in support of particular issues of bonds without availability for other bonds or for expenses of facilities financed by other bonds, except through the medium of the General Reserve Fund.

NOTE B—For the sake of uniformity, all items are reported as change in reserves, although in some years certain items were deductions from revenue.

NOTE C—Bonds outstanding at the end of 1949 include duplication of debt to the extend of $54,000,000 issued during the year, proceeds of which were used to refund Fourth Series General and Refunding Bonds in 1950, and at the end of 1951, $3,000,000, proceeds of which were used to refund Series W Notes in 1952.

For the Ten Years 1943 to 1952, Inclusive

1946	1947	1948	1949	1950	1951	1952
$ 25,491,344	$ 28,566,834	$ 31,930,328	$ 37,524,910	$ 42,198,237	$ 50,270,382	$ 53,823,158
7,176,168	8,141,311	11,968,205	15,113,934	16,390,639	21,064,566	24,430,000
$ 18,315,176	$ 20,425,523	$ 19,962,123	$ 22,410,975	$ 25,807,597	$ 29,205,815	$ 29,393,158
184,610	276,118	259,219	255,374	360,565	294,023	352,000
$ 18,499,786	$ 20,701,641	$ 20,221,342	$ 22,666,349	$ 26,168,162	$ 29,499,839	$ 29,745,158
7,114,756	7,161,062	7,500,107	8,486,838	11,243,082	11,345,907	10,520,681
$ 11,385,028	$ 13,540,579	$ 12,721,235	$ 14,179,510	$ 14,925,078	$ 18,153,932	$ 19,224,477
$ 11,385,028	$ 13,540,579	$ 12,721,235	$ 14,179,510	$ 14,925,078	$ 18,153,932	$ 19,224,477
313,460	506,793	365,524	479,840	1,693,518	438,539	631,729
$ 11,698,488	$ 14,047,372	$ 13,086,759	$ 14,659,350	$ 16,618,596	$ 18,592,471	$ 19,856,206
$ 2,854,604	$ 2,931,250	$ 3,806,633	$ 1,741,476	$ 9,090,000	$ 4,625,424	$ 9,155,649
1,562,070	2,598,322	9,469,053	7,197,417	17,113,000	11,675,044	12,592,747
—0—	—0—	537,961	3,028,217	749,047	—0—	—0—
—0—	—0—	—0—	—0—	—0—	761,854	68,071
—0—	—0—	—0—	—0—	—0—	—0—	—0—
—0—	—0—	(1,723,947)	—0—	—0—	—0—	—0—
—0—	—0—	—0—	(5,597,764)	—0—	—0—	—0—
$ 4,416,674	$ 5,529,572	$ 12,089,700	$ 6,369,346	$ 26,952,047	$ 17,062,322	$ 21,816,469
7,281,814	8,517,799	997,059	8,290,004	(10,333,451)	1,530,148	(1,960,262)
18,932,900	21,573,500	23,399,900	31,289,400	24,843,800	23,717,200	24,168,800
5,022,208	10,899,408	10,070,067	10,470,573	6,582,721	9,239,470	6,827,608
$ 23,955,108	$ 32,472,908	$ 33,469,967	$ 41,759,973	$ 31,426,521	$ 32,956,670	$ 30,996,408
$176,326,000	$179,624,000	$168,696,000	$217,530,000	$146,358,000	$140,772,000	$113,288,000
—0—	—0—	30,000,000	61,400,000	74,400,000	74,400,000	74,400,000
—0—	—0—	7,000,000	7,000,000	10,000,000	10,000,000	10,000,000
—0—	—0—	—0—	—0—	—0—	—0—	35,000,000
13,003,000	36,111,000	28,303,000	26,964,000	17,680,000	12,000,000	9,000,000
$189,329,000	$215,735,000	$233,999,000	$312,894,000	$248,438,000	$237,172,000	$241,688,000

General and Refunding Bonds

GENERAL AND REFUNDING BONDS

Par Value —	$7,594,000		$22,233,000		$9,355,000		$5,882,000	
Series —	Fifth Series		Eighth Series		Ninth Series		Tenth Series	
Rate & Maturity	3¼% due 8/15/77		2% due 8/15/74		1½% due 4/1/85		1¾% due 4/1/85	
Year	Sinking Fund	Interest	Sinking Fund	Interest	Sinking Fund	Interest	Sinking Fund	Interest
1953	$ (b)	$ 246.8	$ 323.4(c)	$ 444.7	$ (d)	$ 140.3	$ (e)	$ 102.9
1954		246.8	920.3	439.2		140.3		102.9
1955		246.8	938.5	422.6		140.3		102.9
1956		246.8	957.3	404.2		140.3	139.6	102.9
1957		246.8	976.5	385.5		140.3	162.3	101.2
1958		246.8	996.0	366.4	72.5	140.3	165.2	98.4
1959		246.8	1,006.1	346.9	296.1	139.5	167.2	95.6
1960		246.8	1,026.1	327.1	300.5	135.9	170.2	92.7
1961		246.8	1,046.7	306.8	305.0	131.5	173.1	89.7
1962		246.8	1,067.5	286.1	309.6	126.9	176.2	86.7
1963		246.8	1,088.9	265.0	314.2	122.3	179.2	83.6
1964		246.8	1,099.7	243.5	317.4	117.7	181.5	80.5
1965		246.8	1,121.7	221.5	322.1	112.9	184.6	77.4
1966		246.8	1,144.1	199.2	326.9	108.1	187.9	74.2
1967		246.8	1,167.0	176.4	331.8	103.2	191.2	70.9
1968		246.8	1,190.3	153.1	336.9	98.3	194.5	67.6
1969		246.8	1,214.1	129.3	341.9	93.2	197.9	64.2
1970		246.8	1,238.3	105.1	347.0	88.1	201.4	60.7
1971		246.8	1,263.2	80.4	352.2	82.9	204.9	57.2
1972		246.8	1,288.4	55.2	357.5	77.7	208.5	53.7
1973	1,502.5	246.8	1,313.9	29.5	362.8	72.3	212.1	50.0
1974	1,966.1	204.1		3.3	368.3	66.9	215.9	46.3
1975	2,030.0	142.1			373.8	61.4	219.6	42.6
1976	2,095.4	76.4			379.4	55.8	223.5	38.7
1977		8.5			385.2	50.1	227.4	34.8
1978					390.9	44.4	231.4	30.9
1979					396.8	38.5	235.4	26.8
1980					402.7	32.6	239.5	22.7
1981					408.7	26.6	243.7	18.6
1982					414.7	20.5	248.0	14.3
1983					421.3	14.3	252.3	10.0
1984					426.8	8.0	256.7	5.6
1985						1.6		1.1
1986								
TOTALS	$7,594.0	$5,613.9	$22,388.0	$5,391.0	$9,363.0	$2,873.0	$5,890.9	$2,008.3

Schedule of Annual Payments of Interest, Sinking Fund and Serial Maturities on Bonds Outstanding as of December 31, 1952 (In Thousand Dollars) (a)

GENERAL AND REFUNDING BONDS

$12,624,000 Eleventh Series 1¼% due 3/1/86		$10,900,000 Twelfth Series 1½% due 6/15/53-62		$1,500,000 Thirteenth Series 1.40% due 7/15/53		$3,600,000 Fourteenth Series 4% due 12/15/53		$39,600,000 Fifteenth Series 1½% due 12/15/54-64	
Sinking Fund	Interest	Maturities	Interest	Maturities	Interest	Maturities	Interest	Maturities	Interest
$ (f)	$ 157.8	$ 1,090.0	$ 154.6	$1,500.0	$ 11.4	$3,600.0	$ 138.0	$	$ 594.0
	157.8	1,090.0	138.2					3,600.0	591.8
	157.8	1,090.0	121.9					3,600.0	537.8
	157.8	1,090.0	105.6					3,600.0	483.8
	157.8	1,090.0	89.2					3,600.0	429.8
	157.8	1,090.0	72.9					3,600.0	375.8
	157.8	1,090.0	56.5					3,600.0	321.8
	157.8	1,090.0	40.2					3,600.0	267.8
	157.8	1,090.0	23.8					3,600.0	213.8
	157.8	1,090.0	7.5					3,600.0	159.8
186.1	157.8							3,600.0	105.8
497.2	155.9							3,600.0	51.8
500.9	150.3								
507.2	144.1								
513.5	137.8								
519.9	131.4								
526.4	124.9								
533.1	118.3								
539.7	111.6								
546.4	104.9								
553.2	98.1								
560.2	91.2								
567.2	84.2								
574.3	77.1								
581.4	70.0								
588.7	62.7								
596.0	55.4								
603.5	47.9								
611.1	40.4								
618.8	32.8								
626.5	25.1								
634.0	17.3								
641.9	9.3								
	1.3								
$12,627.2	$3,627.8	$10,900.0	$ 810.4	$1,500.0	$ 11.4	$3,600.0	$ 138.0	$39,600.0	$4,133.8

Air and Marine Terminal Bonds

	AIR TERMINAL BONDS						MARINE TERMINAL BONDS			
Par Value —	$31,400,000		$30,000,000		$13,000,000		$7,000,000		$3,000,000	
Series —	First Series		Second Series		Third Series		First Series		Second Series	
Rate & Maturity	3% due 6/15/78		2½% due 10/1/79		2.20% due 12/1/80		2½% due 11/1/78		2.20% due 12/1/80	
Year	Sinking Fund	Interest	Sinking Fund	Interest	Sinking Fund	Interest	Sinking Fund	Interest	Sinking Fund	Interest
1953	$	$ 942.0	$	$ 750.0	$	$ 286.0	$ 211.1	$ 175.0	$	$ 66.0
1954		942.0		750.0		286.0	216.4	171.6		66.0
1955		942.0		750.0	407.5	286.0	221.8	166.4	94.0	66.0
1956		942.0		750.0	416.4	285.3	227.3	161.1	96.1	65.8
1957		942.0		750.0	425.6	276.6	233.0	155.6	98.2	63.8
1958	1.203.6	942.0		750.0	434.9	267.7	236.5	150.0	100.4	61.8
1959	1,239.8	923.0	1.197.9	750.0	444.5	258.5	242.4	144.2	102.6	59.7
1960	1,276.9	887.4	1,227.9	727.9	449.9	249.2	248.5	138.3	103.8	57.5
1961	1.315.2	850.7	1.258.5	698.1	459.8	239.7	254.7	132.3	106.1	55.3
1962	1,341.6	812.9	1,290.0	667.4	469.9	230.0	261.1	126.1	108.5	53.1
1963	1,381.8	774.0	1,322.3	636.0	480.3	220.1	265.0	119.8	110.8	50.8
1964	1,423.3	733.9	1,342.0	603.8	490.8	209.9	271.6	113.2	113.3	48.4
1965	1,465.9	692.6	1,375.6	570.8	496.7	199.5	278.4	106.6	114.6	46.1
1966	1,509.9	650.0	1,410.0	536.9	507.6	188.9	285.3	99.7	117.1	43.6
1967	1,539.9	606.2	1,445.2	502.2	518.8	178.1	292.5	92.7	119.7	41.1
1968	1,586.2	561.1	1,481.4	466.7	530.2	167.0	296.8	85.6	122.4	38.5
1969	1,633.8	514.6	1,503.3	430.2	541.9	155.7	304.2	78.2	125.0	35.9
1970	1,682.8	466.7	1,540.9	392.9	548.3	144.1	311.8	70.7	126.5	33.3
1971	1.733.2	417.4	1.579.5	354.6	560.4	132.3	319.6	62.9	129.3	30.5
1972	1,767.6	366.6	1,618.9	315.4	572.7	120.2	327.6	55.0	132.2	27.7
1973	1,820.6	314.3	1,659.4	275.1	585.3	107.8	335.8	46.9	135.1	24.9
1974	1,875.2	260.4	1,700.9	233.9	598.2	95.2	344.2	38.6	138.0	22.0
1975	1,931.5	204.9	1,743.4	191.6	611.3	82.3	352.8	30.0	141.1	19.0
1976	1.989.4	147.7	1,787.0	148.3	624.8	69.2	361.6	21.3	144.2	16.0
1977	2.049.1	88.8	1,831.7	103.9	638.5	55.7	370.7	12.3	147.4	12.9
1978		28.2	1.877.5	58.4	652.6	41.9		3.1	150.6	9.7
1979				11.7	666.9	27.8			153.9	6.4
1980						13.5				3.1
1981										
1982										
1983										
1984										
1985										
1986										
TOTALS	$31.767.3	$15.953.4	$30.193.3	$13,175.8	$13,133.8	$4.874.2	$7,070.7	$2,557.2	$3,030.9	$1,124.9

Schedule of Annual Payments of Interest, Sinking Fund and Serial Maturities on Bonds Outstanding as of December 31, 1952 (In Thousand Dollars) (a)

CONSOLIDATED BONDS $35,000,000 First Series 3% due 11/1/82		TOTAL—ALL ISSUES (g) $241,688,000		
Mandatory Redemption	Interest	Amortization	Interest	Total
$	$ 1,050.0	$ 8,724.5	$ 5,392.3	$ 14,116.8
	1,050.0	9,826.7	5,183.9	15,010.6
510.0	1,047.5	8,861.8	5,032.7	13,894.5
1,587.1	1,027.2	9,113.8	4,887.0	14,000.8
2,628.5	975.4	9,214.1	4,714.0	13,928.1
1,223.0	905.0	9,122.1	4,534.9	13,657.0
327.4	873.4	9,714.0	4,373.7	14,087.7
448.4	863.2	9,942.2	4,191.8	14,134.0
471.7	849.8	10,080.8	3,996.1	14,076.9
91.9	837.6	9,806.3	3,798.7	13,605.0
1,127.2	829.8	10,055.8	3,611.8	13,667.6
1,152.4	796.2	10,489.2	3,401.6	13,890.8
1,167.0	761.8	7,027.5	3,186.3	10,213.8
1,194.0	726.7	7,190.0	3,018.2	10,208.2
1,221.0	690.7	7,340.6	2,846.1	10,186.7
1,249.0	653.9	7,507.6	2,670.0	10,177.6
1,276.0	616.3	7,664.5	2,489.3	10,153.8
1,305.0	577.9	7,835.1	2,304.6	10,139.7
1,336.0	538.6	8,018.0	2,115.2	10,133.2
1,366.0	498.4	8,185.8	1,921.6	10,107.4
1,397.0	457.2	9,877.7	1,722.9	11,600.6
1,428.0	415.2	9,195.0	1,477.1	10,672.1
1,460.0	372.2	9,430.7	1,230.3	10,661.0
1,494.0	328.2	9,673.6	978.7	10,652.3
1,528.0	283.2	7,759.4	720.2	8,479.6
1,562.0	237.2	5,453.7	516.5	5,970.2
1,597.0	190.2	3,646.0	356.8	4,002.8
1,632.0	142.1	2,877.7	261.9	3,139.6
1,669.0	92.9	2,932.5	178.5	3,111.0
1,707.0	42.7	2,988.5	110.3	3,098.8
		1,300.1	49.4	1,349.5
		1,317.5	30.9	1,348.4
		641.9	12.0	653.9
			1.3	1.3
$35,155.6	$18,730.5	$242,814.7	$81,316.6	$324,131.3

Notes:

(a) Includes all mandatory payments on account of interest and retirement (including sinking fund requirements, mandatory redemptions and serial maturities), whether payable from revenues or other sources, upon the assumptions: 1—that the presently outstanding bonds will not be retired prior to maturity except in accordance with the mandatory retirement provisions of the resolutions establishing the series of which such bonds form a part; 2—that the payment into each sinking fund will be made on July 1 of each year for which such sinking fund payment is required to be made; 3—that such payments will be in the amount required to be made for such year.

(b) The sinking fund requirements for the Fifth Series Bonds for the years 1953 through 1972 and for part of 1973 were anticipated by redemption of bonds through the Fifth Series Sinking Fund.

(c) Part of the 1953 sinking fund requirement for the Eighth Series Bonds was anticipated by purchases in the open market and retirement of bonds through the Eighth Series Sinking Fund.

(d) The sinking fund requirements for the Ninth Series Bonds for the years 1953 through 1957 and part of 1958 were anticipated by purchases in the open market and retirement of bonds through the Ninth Series Sinking Fund.

(e) The sinking fund requirements for the Tenth Series Bonds for the years 1953 through 1955 and part of 1956 were anticipated by purchases in the open market and retirement of bonds through the Tenth Series Sinking Fund.

(f) The sinking fund requirements for the Eleventh Series Bonds for the years 1953 through 1962 and part of 1963 were anticipated by purchases in the open market and retirement of bonds through the Eleventh Series Sinking Fund.

(g) These totals include not only the sum of the foregoing items but, in addition, principal and interest payable on General Reserve Fund Notes, Series X, due November 15, 1953/56, as follows:

	Principal	*Interest*	*Total*
1953....................	$2,000,000	$132,812	$2,132,812
1954....................	4,000,000	101,250	4,101,250
1955....................	2,000,000	44,687	2,044,687
1956....................	1,000,000	14,218	1,014,218

AKRON
ATLANTA
BALTIMORE
BIRMINGHAM
BOSTON
BUFFALO
CANTON
CHICAGO
CINCINNATI
CLEVELAND
COLUMBUS
DALLAS
DAYTON
DENVER
DETROIT
ERIE
FORT WORTH
GRAND RAPIDS
HOUSTON
INDIANAPOLIS
KALAMAZOO
KANSAS CITY
LOS ANGELES
LOUISVILLE
MEMPHIS
MIAMI
MILWAUKEE
MINNEAPOLIS

ERNST & ERNST

ACCOUNTANTS AND AUDITORS

SYSTEM SERVICE

NEW YORK

1600 EQUITABLE BUILDING
120 BROADWAY
DELIVERY ZONE 5

NEW ORLEANS
NEW YORK
PHILADELPHIA
PITTSBURGH
PORTLAND, ME.
PROVIDENCE
READING
RICHMOND
ROCHESTER
ST. LOUIS
ST. PAUL
SAN ANTONIO
SAN FRANCISCO
SEATTLE
TOLEDO
WASHINGTON
WINSTON-SALEM
YOUNGSTOWN

TORONTO, CANADA

CORRESPONDENT AT LONDON

CABLE ADDRESS "ERNSTAUDIT" N. Y.

The Port of New York Authority
New York, N. Y.

We have examined the statement of financial position of The Port of New York Authority as of December 31, 1952, and the related statements of net revenues and reserve fund operations and other accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statement of financial position and related statements of net revenues and reserve fund operations and other accounts present fairly the position of The Port of New York Authority at December 31, 1952, and the results of its operations for the year then ended, in conformity with accounting principles and procedures set forth in Note A of Notes to Financial Statements, applied on a basis consistent with that of the preceding year.

Ernst & Ernst

New York, N. Y.
February 6, 1953

Net Revenues and Reserve Fund Operations

Year Ended December 31, 1952

	Net Revenues Related to General and Refunding Bonds	Air Terminal Bonds	Marine Terminal Bonds	Consolidated Bonds (Note A-10)	Reserve Fund Operations (Exhibit C)	Memorandum Combined Total (Note A-12)
GROSS OPERATING REVENUES	$43,400,667	$ 7,918,524	$2,433,988	$ 69,977	$ —0—	$53,823,158
OPERATING EXPENSES (Note A)	15,153,530	7,451,317	1,711,767	113,385	—0—	24,430,000
Net Operating Revenues	$28,247,137	$ 467,207	$ 722,221	($ 43,408)	$ —0—	$29,393,158
OTHER INCOME						
Interest on investments, less amortization of purchase premiums, etc.	310,148	39,263	2,588	—0—	631,729	983,730
Net Revenues (Note A-12)	$28,557,286	$ 506,471	$ 724,809	($ 43,408)	$ 631,729	$30,376,888
OBLIGATORY DEBT SERVICE						
Interest on funded debt	2,349,913	1,739,768	241,000	—0—	155,649	4,486,330
Payments of serial maturities	6,190,000	—0—	—0—	—0—	9,000,000	15,190,000
	$ 8,539,913	$ 1,739,768	$ 241,000	$ —0—	$9,155,649	$19,676,330
Balance of Net Revenues and Reserve Fund Operations	$20,017,373	($ 1,233,297)	$ 483,809	($ 43,408)	($8,523,919)	$10,700,557
APPROPRIATIONS FROM GENERAL RESERVE TO COVER NET DEFICITS		1,233,297		43,408	(1,276,705)	
OTHER RESERVE APPROPRIATIONS						
Debt retirement acceleration					(12,592,748)	(12,592,748)
Adjustment of valuation of securities at December 31, 1952 (Note A-11)					(68,071)	(68,071)
DISPOSITION OF REVENUES AS REQUIRED BY RESOLUTIONS OF THE COMMISSIONERS						
To General Reserve—to bring total amount to 10% of funded debt	(13,478,017)		(325,768)		13,803,785	
To special reserves	(6,539,356)		(158,041)		6,697,397	
	$ —0—	$ —0—	$ —0—	$ —0—		
NET CHANGE IN RESERVES					($1,960,262)	($ 1,960,262)

See Notes to Financial Statements.

( ) Indicate red figures.

Financial Position

December 31, 1952

ASSETS	Capital Accounts (Exhibit A)	Operating Accounts (Exhibit B)	Reserve Fund Accounts (Exhibit C)
INVESTMENT IN FACILITIES			
Including expenditures authorized (Note A)	$437,530,238	$ —0—	$ —0—
CASH	2,079,812	856,889	256,251
INVESTMENT IN SECURITIES			
U. S. Government securities (Note A-11) (Exhibit F)	33,168,572	4,639,707	30,694,342
The Port of New York Authority bonds (Note A-11) (Exhibit F)	—0—	2,217,765	—0—
Accrued interest receivable	189,384	52,686	54,906
	$ 33,357,957	$ 6,910,160	$30,749,249
OTHER ASSETS			
Prepaid insurance, deposits, and sundry accounts	733,112	3,124,184	—0—
ADVANCES FOR WORKING CAPITAL (Note A-9)	1,750,000	—0—	—0—
TOTAL ASSETS	$475,451,121	$10,891,234	$31,005,500

LIABILITIES, RESERVES, AND EQUITY ACCOUNTS	Capital Accounts (Exhibit A)	Operating Accounts (Exhibit B)	Reserve Fund Accounts (Exhibit C)
FUNDED DEBT (Note B) (Exhibit G)	$241,688,000	$ —0—	$ —0—
EQUITY ACCOUNTS (Exhibit E)	193,723,857	—0—	—0—
RESERVES APPLICABLE TO THE FOLLOWING FUNDS			
General Reserve Fund	—0—	—0—	24,168,800
Special Reserve Fund	—0—	—0—	6,476,876
Marine Terminal Reserve Fund	—0—	—0—	350,731
ACCOUNTS PAYABLE, ACCRUED EXPENSES, AND DEPOSITS	3,147,587	5,590,413	9,091
PROVISION FOR SELF-INSURANCE (Note A-8)	—0—	247,198	—0—
COMMITMENTS	29,669,306	645,958	—0—
APPROPRIATIONS PENDING COMMITMENT	7,222,370	223,216	—0—
DEFERRED CREDITS TO INCOME			
Unredeemed toll tickets, etc.	—0—	1,140,480	—0—
Long-term rental prepayments	—0—	1,293,965	—0—
LIABILITY FOR WORKING CAPITAL (Note A-9)	—0—	1,750,000	—0—
CONTINGENT LIABILITIES—Note E			
TOTAL LIABILITIES, RESERVES, AND EQUITY ACCOUNTS	$475,451,121	$10,891,234	$31,005,500

See Notes to Financial Statements.

Notes to Financial Statements

December 31, 1952

NOTE A—STATEMENT OF ACCOUNTING PRINCIPLES AND PROCEDURES:

1. The Port of New York Authority was created as a corporate instrumentality in 1921 by compact between the States of New York and New Jersey with the approval of Congress. The Authority has no stockholders or equity holders and all revenues or other cash received must be disbursed for specific purposes in accordance with provisions of various statutes and agreements with holders of its bonds. Accordingly, accounts of the Authority are maintained on the basis of (1) generally accepted accounting principles, and (2) the principles set forth in this Note which are based on resolutions of the Commissioners and on the Authority's interpretation of applicable statutes and agreements.

2. Deductions are made from revenues and reserves for payments to sinking funds and for serial and other maturity payments on funded debt, and for expenditures to maintain in good condition all facilities, the net revenues of which are pledged as security for Port Authority bonds. Such expenditures include renewals and replacements of equipment and minor capital improvements.

   No deduction from revenues or reserves has been made for depreciation of facilities or for amortization of leasehold improvements, nor has an allowance for depreciation been established.

3. "Investment in Facilities" represents the expenditure of funds by the Authority necessary to acquire, place in operation, and improve its various facilities. It is the total amount expended therefor, less the net proceeds received from the sale or disposition of property. Except for such proceeds, no reduction has been made in the investment for (1) properties transferred to state or local bodies upon completion; or (2) property demolished, scrapped, or abandoned.

   "Investment in Facilities" also includes the following: (1) the net discount and expense, amounting to $7,090,110 at December 31, 1952, incurred in connection with bonds and notes issued for construction purposes (no provision has been made for amortization of such discount and expense), and (2) interest expense on such bonds and notes during the period of construction (less income earned on unexpended construction funds), and certain interest expense applicable to periods subsequent to the dates of official opening of the respective facilities, amounting to $21,693,962 at December 31, 1952.

4. In the opinion of its General Counsel, the Authority is not subject to federal, state, or local taxation, unless both the States of New York and New Jersey expressly consent to such taxation by statutes. Such consent has not been given except for local real estate taxes upon property acquired for rehousing residents of areas acquired by the Authority for terminal and transportation facilities, however, no properties so subject to taxation were owned by the Authority in 1952. The States have also authorized the Authority to enter into voluntary agreements with municipalities to pay a fair annual sum in lieu of taxes upon property acquired for inland and marine terminals, including air terminals; full provision has been made at December 31, 1952 for liability under such agreements then in effect.

5. Commitments are recorded at the time contracts are awarded and orders placed for construction, supplies, etc. Certain appropriations pending commitment at each year-end also are recorded.

6. The cost of refunding and consolidating debt, paid out of proceeds from bonds issued for refunding purposes, consisting of call premiums, interest and other expenses, less premiums received and interest earned, amounted to $15,594,833 at December 31, 1952 (no change in amount since December 31, 1951). The net cost of refunding and consolidating debt is deducted from equity accounts (no provision has been made for amortization of such costs).

7. The Authority is committed to make annual "past service" payments over future years to the New York State Employees' Retirement System. Such expense, together with related current pension costs, is charged to Revenues on an accrual basis.

8. The Authority is self-insured for workmen's compensation and other liability insurance, except that outside insurance is carried for losses in excess of certain amounts. Effective May 1, 1952, the Authority adopted the policy of making provision for anticipated self-insurance losses through charges to revenues in amounts substantially equivalent to the cost of comparable insurance procured on a primary basis. Awards and payments arising out of claims for personal injuries and property damage incurred after May 1, 1952 are charged to the Provision for Self-Insurance thus established. Awards and payments under claims arising prior to May 1, 1952, continue to be charged to revenues as payments are made.

9. In order to provide working capital necessary to finance accounts receivable, prepaid insurance, and other deferred charges in connection with the operation of the Air Terminals, the proceeds of $1,600,000 of General Reserve Fund Notes issued for that purpose were advanced to the Operating Accounts. For the same purpose, $150,000 of the proceeds of First Series Consolidated Bonds was advanced to the Hoboken-Port Authority Piers Operating Accounts.

10. The Hoboken-Port Authority Piers were operated from October 1, 1952 through December 18, 1952 as a facility related to Marine Terminal Notes. From December 19, 1952 the Piers were operated as a facility related to Consolidated Bonds. The net operating deficit of $37,331 incurred for the period ended December 18 was charged against the General Reserve in accordance with the resolution authorizing the issuance of the Marine Terminal Notes. The net operating deficit of $6,077 for the period from December 19 to December 31, 1952 was also charged against the General Reserve in accordance with Section 6 of the Consolidated Bond Resolution. Thus, the total net operating deficit of $43,408 was covered by appropriation from the General Reserve as shown on the statement of Net Revenues and Reserve Fund Operations.

11. Securities held in the Reserve Funds are valued at the lower of cost (purchase price of individual securities adjusted for amortization to date, of purchase premium or discount) or market at December 31, 1952, in the aggregate for each fund.

12. The "Memorandum Combined Total" shown on the statement of Net Revenues and Reserve Fund Operations is presented for general information purposes only, and it is not intended that the amounts stated represent net revenues applicable to any type of bonds. The disposition of net revenues related to General and Refunding, Air Terminal, Marine Terminal, and Consolidated Bonds is set forth in the resolutions establishing the respective issues.

NOTE B—CONSOLIDATED BONDS:

As at December 31, 1952, the proceeds from the sale of Consolidated Bonds were allocated for capital expenditures in connection with various existing facilities, and for refunding General Reserve Fund Notes, as shown in Exhibit A.

NOTE C—NET ASSETS HELD FOR ADDITIONAL CONSTRUCTION AT DECEMBER 31, 1952 ARE AS FOLLOWS:

	Related to Facilities, the Net Revenues of which are pledged for				
	General and Refunding Bonds	*Air Terminal Bonds*	*Marine Terminal Bonds*	*Consolidated Bonds*	*Combined*
Total Assets (as shown in Exhibit A)	$ 11,798,188	$20,207,056	$ 3,875,346	$290,291	$36,170,883
Deduct:					
Liabilities recorded	443,646	1,333,464	1,358,330	12,146	3,147,587
Commitments	16,667,785	6,654,030	6,236,698	110,791	29,669,306
Appropriations pending commitment	7,075,970	123,100	23,300	—0—	7,222,370
Total	$ 24,187,402	$ 8,110,594	$ 7,618,329	$122,937	$40,039,263
Net Assets Held for Additional Construction ()	($ 12,389,213)	$12,096,462	($ 3,742,982)	$167,353	($ 3,868,380)

() Deficits to be covered by additional financnig for appropriations from reserves.

The Authority has established the policy of recording grants from the United States Government under the Federal Airport Act when received. At December 31, 1952, $1,009,362 had been certified to the United States Government, which, in accordance with the above policy, had not been recorded. This amount when received, will increase the assets held for additional construction of the facilities the Net Revenues of which are pledged for Air Terminal Bonds.

NOTE D—FUNDED DEBT:

1. Obligatory payments on account of principal and interest (including sinking fund requirements, note redemptions, and serial maturities) to be made within two years from December 31, 1952 total $29,127,390 as follows:

	1953	1954
General and Refunding Bonds:		
Eighth Series	$ 323,415	$ 920,271
Twelfth Series	1,090,000	1,090,000
Thirteenth Series	1,500,000	—0—
Fourteenth Series	3,600,000	—0—
Fifteenth Series	—0—	3,600,000
General Reserve Fund Notes:		
Series X	2,000,000	4,000,000
Marine Terminal Bonds:		
First Series	211,051	216,354
Interest on Funded Debt Outstanding	5,392,356	5,183,941
Total	$14,116,823	$15,010,567

As at December 31, 1952, the General Reserve balance of $24,168,800 was equal to 10% of the par value of all outstanding Port Authority funded debt, and the total reserves, maintained in cash and U. S. Government securities, exceeded the next two years' obligatory payments referred to above by $1,869,018.

2. Further payments into sinking funds of General and Refunding Bonds are not required until 1973 for the Fifth Series; 1958 for the Ninth Series; 1956 for the Tenth Series; 1963 for the Eleventh Series; 1958 for Air Terminal Bonds, First Series; 1959 for Air Terminal Bonds, Second Series; 1955 for Air Terminal Bonds, Third Series; and 1955 for Marine Terminal Bonds, Second Series. Obligatory retirements of Consolidated Bonds, First Series, are not required until 1955.

3. On January 6, 1953, pursuant to resolutions adopted December 11, 1952, the remaining $7,594,000 principal amount of General and Refunding Bonds, Fifth Series, was called for retirement on February 15, 1953. To provide funds in part for this redemption, $6,000,000 principal amount of Consolidated Notes, Series A, was sold on January 2, 1953. The remaining funds required are to be provided from the Special Reserve Fund.

NOTE E—CONTINGENT LIABILITIES AT DECEMBER 31, 1952:

1. Contingent liabilities exist relative to certain easements acquired by the Authority, payable if and when the owners of the properties elect to have certain construction work performed, and costs may be incurred in connection with proposed construction by The City of New York of a protective pier over the Lincoln Tunnel.

2. In January 1953, the suit brought by eight airline companies against the Authority, to which reference was made in its Financial Reports for prior years, was discontinued by all parties to the action.

3. Under an agreement with The City of New York dated April 17, 1947 for the lease to the Authority of the Municipal Air Terminals, the Authority agreed, among other things, to provide funds up to the sum of $198,500,000 in the aggregate, if necessary, for the rehabilitation, expansion, improvement, and development of said Air Terminals. A substantial portion of the said amount is to be provided prior to June 1, 1954. While the lease provides for a stated annual rental, under certain conditions an alternative amount of 75% of the net revenues, as defined, is payable, if such amount is greater than the stated annual rental.

Under an agreement with the City of Newark dated October 22, 1947 for the lease to the Authority of Newark Marine and Air Terminals, the Authority agreed, among other things, to provide funds up to the sum of $70,500,000 in the aggregate, if necessary, for the development of said Terminals. A substantial portion of the said amount is to be provided prior to March 22, 1955. While the lease provides for a stated annual rental, under certain conditions an alternative amount of 75% of the net revenues, as defined, is payable, if such amount is greater than the stated annual rental.

Under an agreement with The City of Hoboken dated September 24, 1952, for the lease to the Authority of the Hoboken Piers, the Authority agreed, among other things, to provide funds prior to October 1, 1960, up to the sum of $15,000,000 in the aggregate, if necessary, for the rehabilitation, expansion, improvement, and development of the said Terminal. A substantial portion of the said amount is to be provided prior to October 1, 1956. The lease provides for an annual rental of 75% of the net revenues as defined. An advance payment of a stated amount is to be made at the beginning of each of the first four years, commencing October 1, 1952. Such prepayment is to be applied against rentals thereafter payable until liquidated. If the prepayment is not liquidated during the life of the lease such unliquidated portion is not returnable.

The aforementioned leaseholds with the Cities of New York and Newark expire upon the payment by the Authority of all of its funded debt issued in connection with the Air and Marine Terminals leased from the Cities or in the years 1997 and 1998, respectively, whichever occurs sooner. The leasehold with Hoboken will expire in the year 2002 unless in accordance with the lease provisions a fifty year extension of the lease is executed on or before that date. In all instances, the demised premises will revert to the Cities upon the termination of the respective leases.

4. The present estimated cost of the Third Tube of the Lincoln Tunnel, now under construction, and of the additional approaches in connection therewith, is $90,000,000, of which $6,000,000 was provided from the proceeds of Consolidated Bonds, First Series.

Exhibit A

Capital Accounts

Detail of Assets, and Liabilities and Equity Acccounts **December 31, 1952**

	Related to Facilities, the Net Revenues of which are pledged for				
	General and Refunding Bonds	*Air Terminal Bonds*	*Marine Terminal Bonds*	*Consolidated Bonds*	*Combined*
ASSETS					
INVESTMENT IN FACILITIES—at cost (Note A)					
Completed construction	$302,717,440	$ 4,951,520	$ —0—	$ —0—	$307,668,961
Construction in progress	1,735,965	1,701,466	—0—	—0—	3,437,432
Leasehold improvements completed	—0—	66,983,157	10,882,810	—0—	77,865,968
Leasehold improvements in progress	—0—	8,994,171	2,600,173	71,854	11,666,199
Commitments (see contra)	16,667,785	6,654,030	6,236,698	110,791	29,669,306
Appropriations pending commitment (see contra)	7,075,970	123,100	23,300	—0—	7,222,370
	$328,197,161	$ 89,407,447	$19,742,982	$182,646	$437,530,238
ASSETS HELD FOR ADDITIONAL CONSTRUCTION AND PAYMENT OF LIABILITIES (Note C)					
Cash	$ 1,133,953	$ 581,318	$ 350,854	$ 13,687	$ 2,079,812
U. S. Government securities—at cost (Exhibit F)	10,378,128	19,168,068	3,347,375	275,000	33,168,572
Accrued interest receivable	78,923	84,938	23,919	1,604	189,384
Mortgages receivable	142,090	—0—	—0—	—0—	142,090
Miscellaneous	65,093	372,731	153,198	—0—	591,022
	$ 11,798,188	$ 20,207,056	$ 3,875,346	$290,291	$ 36,170,883
ADVANCES FOR WORKING CAPITAL (Note A-9)	$ 1,600,000	$ —0—	$ —0—	$150,000	$ 1,750,000
TOTAL ASSETS	$341,595,350	$109,614,504	$23,618,329	$622,937	$475,451,121
LIABILITIES AND EQUITY ACCOUNTS					
FUNDED DEBT (Exhibit G)					
General and Refunding Bonds and General Reserve Fund Notes	$122,288,000	$ —0—	$ —0—	$ —0—	$122,288,000
Air Terminal Bonds	—0—	74,400,000	—0—	—0—	74,400,000
Marine Terminal Bonds	—0—	—0—	10,000,000	—0—	10,000,000
Consolidated Bonds (Note B)	7,500,000	21,000,000	6,000,000	500,000	35,000,000
	$129,788,000	$ 95,400,000	$16,000,000	$500,000	$241,688,000
EQUITY ACCOUNTS (Exhibit E)					
Debt retired through income	$183,886,110	$ —0—	$ —0—	$ —0—	$183,886,110
Contributed by federal and state agencies in aid of construction	10,860,411	6,103,909	—0—	—0—	16,964,321
Appropriated reserves invested in facilities	8,468,259	—0—	—0—	—0—	8,468,259
	$203,214,781	$ 6,103,909	$ —0—	$ —0—	$209,318,691
Less cost of refunding and consolidating debt	15,594,833	—0—	—0—	—0—	15,594,833
	$187,619,948	$ 6,103,909	$ —0—	$ —0—	$193,723,857
OTHER LIABILITIES					
Accrued interest on funded debt	$ 45,439	$ 120,535	$ 30,000	$ 2,500	$ 198,474
Other accounts payable, accrued expenses, etc.	398,207	1,212,928	1,328,330	9,646	2,949,113
	$ 443,646	$ 1,333,464	$ 1,358,330	$ 12,146	$ 3,147,587
COMMITMENTS (see contra)	$ 16,667,785	$ 6,654,030	$ 6,236,698	$110,791	$ 29,669,306
APPROPRIATIONS PENDING COMMITMENT (see contra)	7,075,970	123,100	23,300	—0—	7,222,370
TOTAL LIABILITIES AND EQUITY ACCOUNTS	$341,595,350	$109,614,504	$23,618,329	$622,937	$475,451,121

See Notes to Financial Statements.

Exhibit B

Operating Accounts

Detail of Assets, and Liabilities and Other Credits — **December 31, 1952**

	Related to Facilities, the Net Revenues of which are pledged for — *General and Refunding Bonds*	*Air Terminal Bonds*	*Marine Terminal Bonds*	*Consolidated Bonds*	*Combined*
ASSETS					
CASH	$ 697,193	$ 82,214	$ 36,310	$ 41,170	$ 856,889
INVESTMENT IN SECURITIES					
U. S. Government securities—at cost (Exhibit F)	1,714,737	2,914,969	10,000	—0—	4,639,707
The Port of New York Authority bonds—at cost (Exhibit F)	2,217,765	—0—	—0—	—0—	2,217,765
Accrued interest receivable	23,202	29,390	93	—0—	52,686
	$3,955,706	$2,944,360	$ 10,093	$ —0—	$ 6,910,160
OTHER ASSETS					
Prepaid insurance	930,689	232,878	50,741	52,004	1,266,314
Accounts and notes receivable	352,520	491,565	217,002	887	1,061,977
Accrued revenue	270,143	332,509	6,398	—0—	609,051
Miscellaneous	86,671	42,233	1,686	56,250	186,841
	$ 1,640,025	$1,099,186	$275,829	$109,142	$ 3,124,184
TOTAL ASSETS	$6,292,925	$4,125,761	$322,234	$150,313	$10,891,234
LIABILITIES AND OTHER CREDITS					
ACCOUNTS PAYABLE, ACCRUED EXPENSES, AND DEPOSITS					
Accrued interest on funded debt	$ 419,901	$ 234,548	$ 34,666	$ —0—	$ 689,116
Unredeemed bonds and interest coupons (less $259,888 on deposit with paying agents)	7,987	—0—	—0—	—0—	7,987
Accrued liability for employee retirement, etc.	2,842,825	—0—	—0—	—0—	2,842,825
Accrued liability for rent	—0—	372,100	99,377	—0—	471,477
Accrued liability for payments in lieu of taxes (Note A-4)	329,687	—0—	—0—	—0—	329,687
Other accounts payable, accrued expenses, etc.	822,800	143,921	100,101	313	1,067,136
Deposits	62,267	110,884	9,030	—0—	182,181
	$4,485,471	$ 861,453	$243,175	$ 313	$ 5,590,413
PROVISION FOR SELF-INSURANCE	247,198	—0—	—0—	—0—	247,198
COMMITMENTS	476,937	151,761	17,260	—0—	645,958
APPROPRIATIONS PENDING COMMITMENT	213,411	9,805	—0—	—0—	223,216
DEFERRED CREDITS TO INCOME					
Unredeemed toll tickets, etc.	869,906	208,775	61,798	—0—	1,140,480
Long-term rental prepayments	—0—	1,293,965	—0—	—0—	1,293,965
LIABILITY FOR WORKING CAPITAL (Note A-9)	—0—	1,600,000	—0—	150,000	1,750,000
TOTAL LIABILITIES AND OTHER CREDITS	$6,292,925	$4,125,761	$322,234	$150,313	$10,891,234

See Notes to Financial Statements.

Exhibit C

Reserve Fund Accounts

Detail of Assets, Liabilities and Reserves, and Analysis of Reserves **December 31, 1952**

		Special Reserve Funds		
	General Reserve Fund	*Special Reserve Fund*	*Marine Terminal Reserve Fund*	*Combined*
DETAIL OF ASSETS, LIABILITIES AND RESERVES				
December 31, 1952				
ASSETS				
Cash	$ 79,793	$ 167,915	$ 8,542	$ 256,251
U. S. Government securities (Note A-11) (Exhibit F)	24,061,242	6,293,100	340,000	30,694,342
Accrued interest receivable	36,856	15,860	2,189	54,906
TOTAL ASSETS	$24,177,891	$6,476,876	$350,731	$31,005,500
LIABILITIES				
Accrued interest on funded debt	$ 9,091	$ —0—	$ —0—	$ 9,091
RESERVES				
Balances at December 31, 1952	24,168,800	6,476,876	350,731	30,996,408
TOTAL LIABILITIES AND RESERVES	$24,177,891	$6,476,876	$350,731	$31,005,500
ANALYSIS OF RESERVES				
Year ended December 31, 1952				
Balances at January 1, 1952	$23,717,200	$9,050,181	$189,289	$32,956,670
Add interest on investments, less amortization of purchase premiums, etc.	565,993	62,335	3,400	631,729
	$24,283,193	$9,112,516	$192,690	$33,588,400
Deduct:				
Appropriations for:				
Obligatory debt service:				
Interest on funded debt				
Series X Notes	66,549	—0—	—0—	66,549
Series Y Notes	89,100	—0—	—0—	89,100
	$ 155,649	$ —0—	$ —0—	$ 155,649
Payment of serial maturities General Reserve Fund Notes, Series Y	$ 9,000,000	$ —0—	$ —0—	$ 9,000,000
Transfers to Operating Accounts to cover deficits related to:				
Air Terminal Bonds	1,233,297	—0—	—0—	1,233,297
Consolidated Bonds (Note A-10)	43,408	—0—	—0—	43,408
	$ 1,276,705	$ —0—	$ —0—	$ 1,276,705
Debt retirement acceleration:				
Transfer of funds to Sinking Funds for call and retirement in anticipation of future requirements (as shown in Exhibit D)	$ 2,200,000	$9,200,000	$ —0—	$11,400,000
Transfers of The Port of New York Authority bonds to Sinking Funds for retirements in anticipation of future requirements (as shown in Exhibit D)	1,084,419	—0—	—0—	1,084,419
Expenditures incidental to the call of General and Refunding Bonds, Fifth Series	108,328	—0—	—0—	108,328
	$ 3,392,748	$9,200,000	$ —0—	$12,592,748
Adjustment of valuation of securities at December 31, 1952 (Note A-11)	$ 93,075	($ 25,003)	$ —0—	$ 68,071
Total deductions	$13,918,179	$9,174,996	$ —0—	$23,093,175
	$10,365,014	($ 62,479)	$192,690	$10,495,225
Add transfer of Revenues for 1952 related to:				
General and Refunding Bonds	13,478,017	6,539,356	—0—	20,017,373
Marine Terminal Bonds	325,768	—0—	158,041	483,809
Balances at December 31, 1952	$24,168,800	$6,476,876	$350,731	$30,996,408

See Notes to Financial Statements.

( ) Indicate red figures.

Exhibit D

Analysis of Sinking Fund Reserves

Year ended December 31, 1952

Balance at January 1, 1952	$ —0—
Add:	
Funds transferred to Sinking Funds for call and retirement in anticipation of future requirements:	
Appropriated from General Reserve	2,200,000
Appropriated from Special Reserve	9,200,000
Proceeds from sale of General Reserve Fund Notes, Series Y	9,000,000
The Port of New York Authority bonds transferred to Sinking Funds for retirement in anticipation of future requirements:	
Appropriated from General Reserve	1,084,419
Adjustment of cost to redemption price*	221,305
	$21,705,725
Deduct:	
Retirement of The Port of New York Authority bonds in anticipation of future Sinking Fund requirements:	
General and Refunding Bonds:	
Fifth Series:	
Principal amount of bonds redeemed	20,000,000
Call premium thereon—normal	9,250
Difference between normal call premium and redemption premium	390,750
Eighth Series:	
Principal amount of bonds redeemed	136,000
Call premium thereon	4,080
Ninth Series:	
Principal amount of bonds redeemed	227,000
Call premium thereon	2,270
Tenth Series:	
Principal amount of bonds redeemed	144,000
Call premium thereon	1,440
Eleventh Series:	
Principal amount of bonds redeemed	787,000
Call premium thereon	3,935
Total debt retired through Sinking Funds	$21,705,725
Balance at December 31, 1952	$ —0—

* Represents the increase from cost to an amount equal to the redemption price applicable if such bonds were called at the next ensuing redemption date, made in order to conform with the requirements of Resolutions dated March 18, 1935 and August 30, 1945.

See Notes to Financial Statements.

Exhibit E

Analysis of Equity Accounts

Year ended December 31, 1952

	Debt Retired Through Income	*Contributed by Federal and State Agencies in Aid of Construction*	*Appropriated Reserves Invested in Facilities*	*Less Cost of Refunding and Consolidating Debt (Note A-6)*	*Total*
Balances at January 1, 1952	$156,402,110	$14.949.837	$8.468.259	$15.594.833	$164.225.373
Add:					
Reserves applied to retirement of debt:					
Sinking Fund Reserves:					
General and Refunding Bonds:					
Fifth Series	11,000,000				11.000.000
Eighth Series	136.000				136.000
Ninth Series	227,000				227.000
Tenth Series	144,000				144.000
Eleventh Series	787,000				787.000
General Reserve:					
General Reserve Fund Notes, Series Y	9,000,000				9.000.000
Net Revenues applied to retirement of debt:					
General and Refunding Bonds:					
Twelfth Series	1,090.000				1.090.000
Thirteenth Series	1,500.000				1.500,000
Fourteenth Series	3.600.000				3.600.000
Received under the Federal Airport Act for the share of the United States Government in the construction cost of certain projects at the Air Terminals		2,014,484			2.014.484
Balances at December 31, 1952	$183,886,110	$16,964,321	$8,468,259	$15,594,833	$193,723,857

See Notes to Financial Statements.

Exhibit F

Investment in Securities

December 31, 1952

	Principal Amount	Cost (A)	Quoted Market Value
ASSETS HELD FOR ADDITIONAL CONSTRUCTION, ETC. RELATED TO FACILITIES, THE NET REVENUES OF WHICH ARE PLEDGED FOR			
GENERAL AND REFUNDING BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Discount Bills, due March 19, 1953	$ 2,300,000	$ 2,289,465	$ 2,290,662
U. S. Treasury Certificates of Indebtedness, 1⅞%, due February 15, 1953	1,800,000	1,800,167	1,800,540
U. S. Treasury Certificates of Indebtedness, 1⅞%, due June 1, 1953	3,940,000	3,938,790	3,937,872
U. S. Treasury Bonds, 2%, due September 15, 1953	2,350,000	2,349,704	2,350,000
	$10,390,000	$10,378,128	$10,379,074
AIR TERMINAL BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Discount Bills, due January 29, 1953	$ 4,000,000	$ 3,993,396	$ 3,994,680
U. S. Treasury Discount Bills, due March 19, 1953	4,700,000	4,678,407	4,680,918
U. S. Treasury Certificates of Indebtedness, 1⅞%, due February 15, 1953	500,000	500,091	500,150
U. S. Treasury Certificates of Indebtedness, 1⅞%, due June 1, 1953	5,300,000	5,297,141	5,297,138
U. S. Treasury Bonds, 2%, due September 15, 1953	4,700,000	4,699,031	4,700,000
	$19,200,000	$19,168,068	$19,172,886
MARINE TERMINAL BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Discount Bills, due January 29, 1953	$ 1,000,000	$ 998,343	$ 998,670
U. S. Treasury Certificates of Indebtedness, 1⅞%, due February 15, 1953	300,000	300,000	300,090
U. S. Treasury Certificates of Indebtedness, 1⅞%, due June 1, 1953	2,050,000	2,049,032	2,048,893
	$ 3,350,000	$ 3,347,375	$3,347,653
CONSOLIDATED BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Bonds, 2%, due September 15, 1953	$ 275,000	$ 275,000	$ 275,000
TOTAL—HELD FOR ADDITIONAL CONSTRUCTION, ETC.	$33,215,000	$33,168,572	$33,174,613
OPERATING ACCOUNT ASSETS, RELATED TO FACILITIES, THE NET REVENUES OF WHICH ARE PLEDGED FOR			
GENERAL AND REFUNDING BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Certificates of Indebtedness, due February 15, 1953	$ 35,000	$ 35,003	$ 35,010
U. S. Treasury Certificates of Indebtedness, due June 1, 1953	620,000	619,835	619,665
U. S. Treasury Bonds, 2%, due September 15, 1953	560,000	559,898	560,000
U. S. Treasury Bonds, 2%, due December 15, 1954-53	500,000	500,000	497,343
	$ 1,715,000	$ 1,714,737	$ 1,712,018
THE PORT OF NEW YORK AUTHORITY BONDS			
General and Refunding Bonds, Fifth Series, 3¼%, due August 15, 1977	$ 31,000	$ 31,620	$ 31,620
Air Terminal Bonds, Second Series, 2½%, due October 1, 1979	1,275,000	1,251,302	1,198,500
Air Terminal Bonds, Third Series, 2.20%, due December 1, 1980	5,000	4,343	4,300
Marine Terminal Bonds, First Series, 2½%, due November 1, 1978	925,000	930,499	869,500
	$ 2,236,000	$ 2,217,765	$ 2,103,920
	$ 3,951,000	$ 3,932,503	$ 3,815,938
AIR TERMINAL BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Certificates of Indebtedness, 1⅞%, due February 15, 1953	$ 1,265,000	$ 1,265,071	$ 1,265,379
U. S. Treasury Bonds, 2%, due September 15, 1953	1,650,000	1,649,898	1,650,000
	$ 2,915,000	$ 2,914,969	$ 2,915,379
MARINE TERMINAL BONDS			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Certificates of Indebtedness, 1⅞%, due June 1, 1953	$ 10,000	$ 10,000	$ 9,994
TOTAL—OPERATING ACCOUNTS	$ 6,876,000	$ 6,857,473	$ 6,741,313

(CONTINUED)

Investment in Securities (Continued)

December 31, 1952

	Principal Amount	Cost (A)	Quoted Market Value
RESERVE FUND ASSETS			
GENERAL RESERVE FUND			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Certificates of Indebtedness, 1⅞%, due June 1, 1953	$ 930,000	$ 929,753	$ 929,497
U. S. Treasury Bonds, 2%, due September 15, 1953	240,000	239,994	240,000
U. S. Treasury Bonds, 2¼%, due June 15, 1962-59	322,000	322,000	314,352
U. S. Treasury Bonds, 2½%, due December 15, 1968-63	5,000,000	4,983,789	4,857,812
U. S. Treasury Bonds, 2½%, due June 15, 1969-64	7,978,000	7,930,716	7,706,249
U. S. Treasury Bonds, 2½%, due December 15, 1969-64	10,000,000	9,932,701	9,631,250
U. S. Savings Bonds, Series G, 2½%, due June 1, 1957	100,000	100,000	96,380
U. S. Savings Bonds, Series G, 2½%, due March 1, 1958	100,000	100,000	95,800
U. S. Savings Bonds, Series G, 2½%, due January 1, 1959	100,000	100,000	95,200
U. S. Savings Bonds, Series G, 2½%, due June 1, 1960	100,000	100,000	94,700
	$24,870,000	$24,738,956	$24,061,242
Adjustment of valuation of securities at December 31, 1952 (Note A-11)		(677,713)	
	$24,870,000	$24,061,242	$24,061,242
SPECIAL RESERVE FUND			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Bonds, 2%, due September 15, 1953	$ 635,000	$ 634,913	$ 635,000
U. S. Treasury Bonds, 2¼%, due June 15, 1962-59	1,578,000	1,578,000	1,540,522
U. S. Treasury Bonds, 2½%, due December 15, 1968-63	3,250,000	3,239,463	3,157,578
U. S. Treasury Bonds, 2½%, due March 15, 1970-65	1,000,000	992,935	960,000
	$ 6,463,000	$ 6,445,313	$ 6,293,100
Adjustment of valuation of securities at December 31, 1952 (Note A-11)		(152,212)	
	$ 6,463,000	$ 6,293,100	$ 6,293,100
MARINE TERMINAL RESERVE FUND			
U. S. GOVERNMENT SECURITIES			
U. S. Treasury Certificates of Indebtedness, 1⅞%, due February 15, 1953	$ 100,000	$ 100,000	$ 100,030
U. S. Treasury Certificates of Indebtedness, 1⅞%, due June 1, 1953	50,000	50,000	49,973
U. S. Treasury Bonds, 2%, due December 15, 1953	190,000	190,000	190,000
	$ 340,000	$ 340,000	$ 340,003
TOTAL—RESERVE FUNDS	$31,673,000	$30,694,342	$30,694,345

(A) Purchase price of individual securities adjusted for amortization to date, of purchase premium or discount.

See Notes to Financial Statements.

( ) Indicate red figures.

Exhibit G

Funded Debt

December 31, 1952

		Amount Outstanding December 31, 1952	
GENERAL AND REFUNDING BONDS AND GENERAL RESERVE FUND NOTES			
General and Refunding Bonds:			
Fifth Series	3¼% due 1977 (Notes D-2 and D-3)	$ 7,594,000	
Eighth Series	2% due 1974 (Note D-1)	22,233,000	
Ninth Series	1½% due 1985 (Note D-2)	9,355,000	
Tenth Series	1¾% due 1985 (Note D-2)	5,882,000	
Eleventh Series	1¼% due 1986 (Note D-2)	12,624,000	
Twelfth Series	1½% due $1,090,000 annually to June 15, 1962 (Note D-1)	10,900,000	
Thirteenth Series	1.40% due July 15, 1953 (Note D-1)	1,500,000	
Fourteenth Series	4% due December 15, 1953 (Note D-1)	3,600,000	
Fifteenth Series	1½% due $3,600,000 annually from December 15, 1954 to December 15, 1964 (Note D-1)	39,600,000	$113,288,000
General Reserve Fund Notes, Series X: (Note D-1)			
1⅜% due November 15, 1953		$ 2,000,000	
1½% due November 15, 1954		4,000,000	
1⅝% due November 15, 1955		2,000,000	
1⅝% due November 15, 1956		1,000,000	9,000,000
			$122,288,000
AIR TERMINAL BONDS			
First Series	3% due 1978 (Note D-2)	$31,400,000	
Second Series	2½% due 1979 (Note D-2)	30,000,000	
Third Series	2.20% due 1980 (Note D-2)	13,000,000	74,400,000
MARINE TERMINAL BONDS			
First Series	2½% due 1978 (Note D-1)	$ 7,000,000	
Second Series	2.20% due 1980 (Note D-2)	3,000,000	10,000,000
CONSOLIDATED BONDS			
First Series	3% due 1982 (Note D-2)		35,000,000
TOTAL			$241,688,000

See Notes to Financial Statements.

Service to South America. Taking no position on the combination of carriers to be chosen, the Authority urged C.A.B. to provide competitive U.S.-flag single-plane service between Port District and major points on West and Southeast coasts of South America by means of equipment interchange at Miami. Decision pending.

Service to Upstate New York. The need for continued and expanded direct air service between Port District and upstate New York was recognized by C.A.B. in June when certificate of Mohawk Airlines, Inc. (formerly Robinson Airlines, Inc.) was renewed and line authorized to provide direct service between Port District and Watertown, New York, as petitioned by the Port Authority.

Service to Detroit. C.A.B. dismissed investigation begun in 1949 to determine whether certain services between Detroit and Port District should be suspended or eliminated. The Port Authority had intervened to oppose any elimination or suspension of service tending to decrease trade and commerce between Detroit and Port District.

Service to Pittsfield. In Wiggins Airways certificate renewal case, C.A.B. considering authorizing direct air service between Port District and Pittsfield, Mass. In January the Port Authority asked C.A.B. to authorize such service, and C.A.B. decided in October to authorize Northeast Airlines, Inc. to provide the service.

Service to Pacific Northwest. The Port Authority is participating actively in United Air Lines, Inc. request for one-stop and non-stop service to Pacific Northwest, and in Northwest Airlines, Inc. request to add Chicago as stop on its flights to Pacific Northwest. The Port Authority supported both requests.

Service to New Jersey and Pennsylvania. The Port Authority has supported All-American Airways, Inc. request for renewal of its certificate to provide air service between Port District and points in New Jersey and Pennsylvania and to realign its route so as to increase its opportunity for efficient operations and traffic development, C.A.B. Examiner has recommended renewal and several modifications of route, and Board was scheduled to hear the case in January, 1953.

Other C.A.B. Matters: In addition to cases listed above, the Port Authority also participated in other C.A.B. proceedings affecting Port District, including: Redefinition of scope of air taxi operations; proposed regulations for minimum aircraft liability insurance requirements; New York-Houston Interchange Case, and amendments of the procedural regulations of the Board.

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The tugs have eased our freighter out into the river, the river becomes the bay, and the bay becomes the sea. In a few hours our freighter's farewell will be a memory; and the men of another port will wait for her.