THE PORT OF NEW YORK AUTHORITY

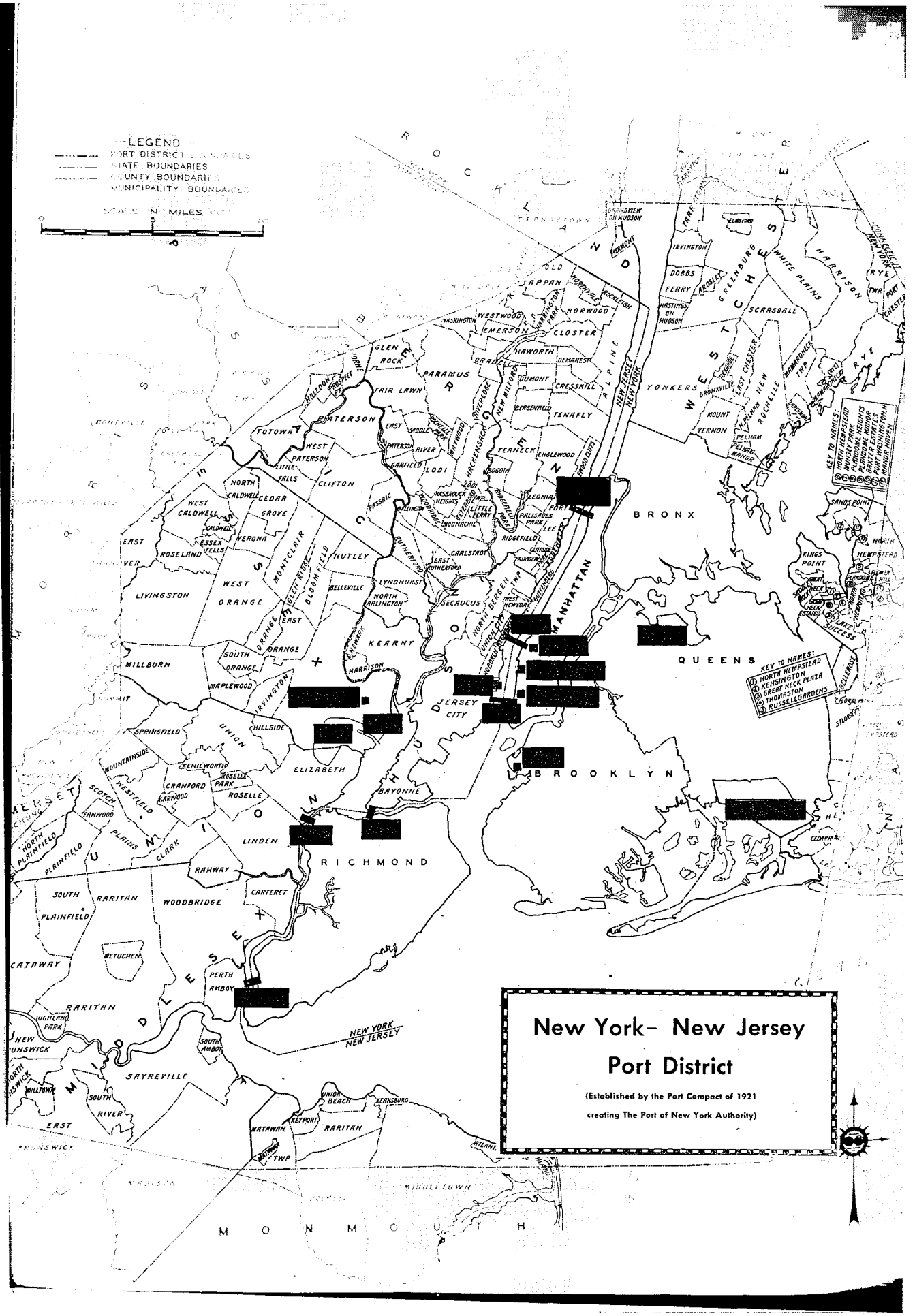
COMMISSIONERS—NEW YORK
HOWARD S. CULLMAN, CHAIRMAN
FRANK J. TAYLOR
EUGENE F. MORAN
BAYARD F. POPE
S. SLOAN COLT
CHARLES S. HAMILTON, JR.

COMMISSIONERS—NEW JERSEY
JOSEPH M. BYRNE, JR., VICE CHAIRMAN
ARTHUR WALSH
FRANK D. ABELL
DONALD V. LOWE
F. PALMER ARMSTRONG
HOWARD R. CRUSE

Twenty Sixth Annual Report **194**

387.1
P83A
1946
cop 3

TWENTY-SIXTH ANNUAL REPORT
THE PORT OF NEW YORK AUTHORITY



New York- New Jersey Port District

(Established by the Port Compact of 1921 creating The Port of New York Authority)

COMMISSIONERS—NEW YORK
HOWARD S. CULLMAN, CHAIRMAN
FRANK J. TAYLOR
EUGENE F. MORAN
BAYARD F. POPE
S. SLOAN COLT
CHARLES S. HAMILTON, JR.

COMMISSIONERS—NEW JERSEY
JOSEPH M. BYRNE, JR., VICE CHAIRMAN
ARTHUR WALSH
FRANK D. ABELL
DONALD V. LOWE
F. PALMER ARMSTRONG
HOWARD R. CRUSE

THE PORT OF NEW YORK AUTHORITY
111 Eighth Avenue at 15th Street New York 11 NY

To the Honorable Alfred E. Driscoll, Governor, and the Legislature of the State of New Jersey:

To the Honorable Thomas E. Dewey, Governor, and the Legislature of the State of New York:

During the year 1946, the Port Authority devoted most of its energies to studies of Newark Airport and Seaport, and LaGuardia and Idlewild airports. As a result of these studies, which were made at the request of the Cities of Newark and New York, we were able to submit to Newark a proposal for the financing, development and operation of its air and marine terminals by the Port Authority on a self-supporting basis. We made a similar proposal to the City of New York that would relieve the taxpayers of that municipality of the burden of financing and developing LaGuardia and Idlewild airports. In addition, the City of Hoboken asked us to survey the possibility of our re-establishing the Hoboken piers as modern, commercial port installations.

It is the statutory duty of the Port Authority, as the joint agency of the States of New Jersey and New York, to cooperate with the municipalities of the Port District in the development of their land, sea and air terminal facilities. We are thoroughly in accord with the officials of the Cities of Newark and New York that the development of air terminals in the harbor area is the foundation of the future welfare and prosperity of this region.

We are convinced that if the Port District is to maintain its pre-eminence as the crossroads of world trade, it must provide a system of regional airports with the capacity to handle the largest concentration of air traffic in the world. We believe that we must develop terminals for air transportation here as efficient as the facilities that serve this port as a great center of water and rail traffic.

Under the Port Compact of 1921, the States of New Jersey and New York were committed to the regional development of public transportation and terminal facilities in the Port of New York District. Your Excellencies are well aware that it is fundamental to the whole concept of the Port Authority and its work through the past twenty-five years that the economic livelihood and welfare of the municipalities making up the metropolitan area of Northern New Jersey and New York are inextricably woven together. The prosperity or depression of these communities depends upon the prosperity or depression of the whole port area. The Port Compact recognizes that the proper development of the public terminal

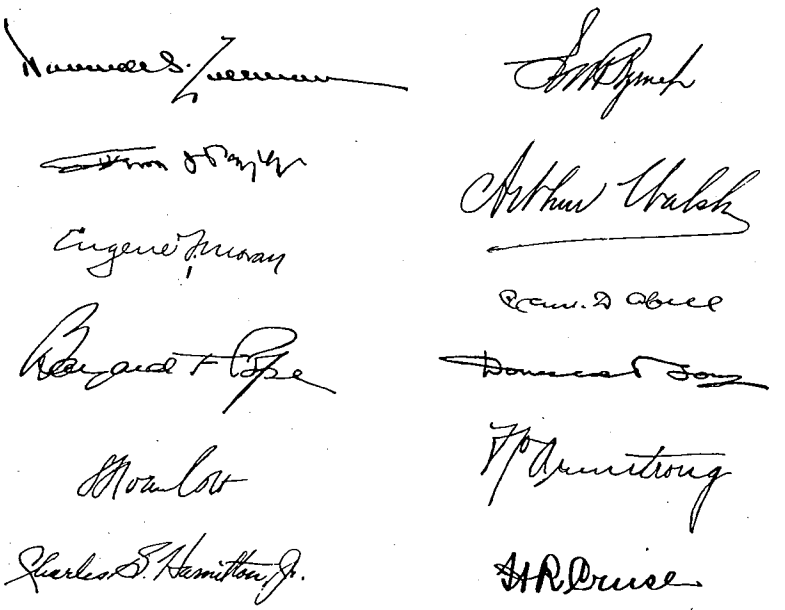
and transportation facilities of the whole port requires "the expenditure of large sums of money and the cordial cooperation of the States of New York and New Jersey." The two States agree in that treaty that "such result can best be accomplished through the cooperation of the States by and through a joint or common agency."

The imaginary dividing line between the States of New Jersey and New York means little to users of the port. For example, just as grain for feed purposes is distributed from the Port Authority's elevator at Gowanus, Brooklyn, to New Jersey points, commodities discharged from ships at Port Newark, when the marine terminals are again available, will be conveniently distributed throughout the New Jersey and New York portions of the metropolitan area.

It is a fortunate coincidence that at a time when the people of the Port District are looking to us to finance the development and operation of costly air and marine terminals, our credit position is the best in our history. Our first full year of peacetime traffic developed our highest level of traffic revenues. Our self-supporting railroad and waterfront terminals also produced their most satisfactory net returns. The acquisition of real estate and preparation of final plans for the union motor truck terminals in New York and New Jersey and for the union bus terminal in midtown Manhattan progressed satisfactorily. The latest estimates of truck tonnage and bus traffic indicate that these great terminal facilities will also be self-supporting. Prospects for air terminal revenues

indicate that acceptance of Port Authority proposals for the development and operation of the great airports in the metropolitan area will assure the continuance of our most favorable financial situation and enable us to go forward with the further development of great terminal projects in the Port of New York.

Respectfully submitted,



November 1, 1947—New York, N. Y.

The Port Authority's Twenty-Fifth Year Provides Opportunities for Our Greatest Service to the Port of New York

The Port of New York faces the basic problem of improving its local transportation and terminal systems in order that it may continue to be a profitable business center and an efficient gateway for trade and travel. The vital streams of commerce must flow swiftly, surely and economically, if this community is to maintain and expand its position as an important world port.

The Port Compact of 1921, which created the Port Authority, recognizes the fact that transportation and terminal problems cannot be confined within the artificial boundaries of states, counties and municipalities. The Compact pledges the word of the States of New Jersey and New York that terminal operations within the Port District, so far as economically practicable, should be unified. It calls for the consolidation of shipments at classification points to eliminate duplication of effort and inefficient loading of equipment, and to reduce costs of moving freight. It also states that commodities should be directly routed to avoid centers of congestion, and excessive cartage. Perhaps most important of all, the Port Compact declares that terminal stations established under the Comprehensive Plan should be union stations, so far as practicable.

The Compact states that the Port Authority shall have "full power and authority to purchase, construct, lease and

operate any terminal or transportation facility" in the Port District. During the year the principal municipalities in the port area, New York City on the New York side of the Hudson, and Newark on the New Jersey side, looked to the Port Authority to proceed under authorization by the Compact and in accordance with the Comprehensive Plan, to survey the possibility of our developing and operating the great air and waterfront terminals in the Port District. New York City and Newark wanted relief from the tax burden of the operation of their airports. In addition, Newark wanted the Port Authority to undertake, if practicable, the rehabilitation and operation of its important marine terminal.

The City of Hoboken, New Jersey, requested that we study the possibility of developing and operating its piers now under control of the Federal Government, so that the municipality once more might benefit from the commercial operation of its great waterfront facilities.

Perhaps never before in the twenty-five years of our existence have the fundamental purposes and usefulness of the Port Authority been so fully recognized by the people of the Port District.

The Port Authority Submits Proposals to the Cities of Newark and New York for Financing, Developing and Operating the Great Airports in the Metropolitan New Jersey-New York District

The Newark Proposal

An historic step in the regional development of transportation and terminal facilities was taken when, on July 31,

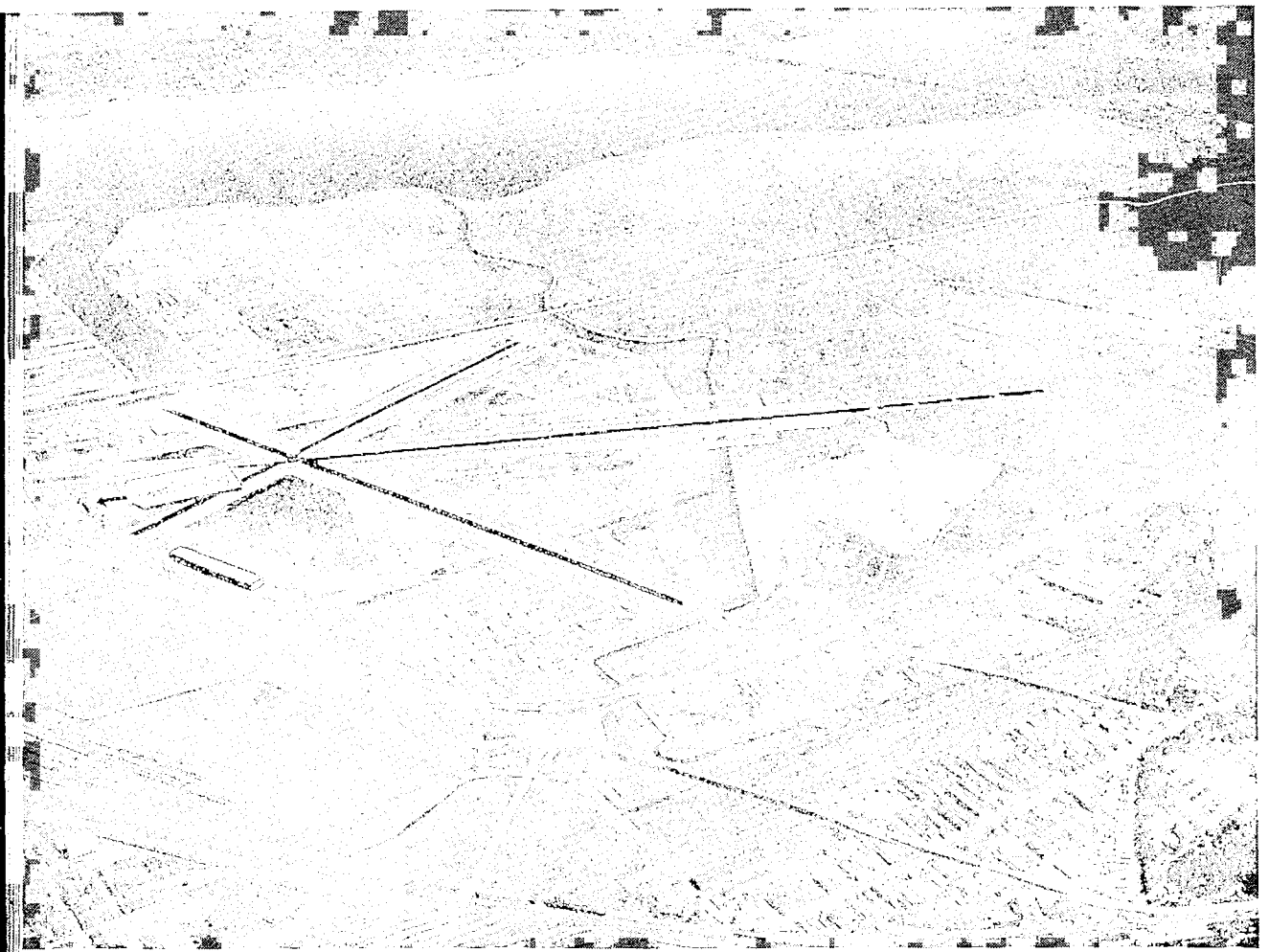
1946, the Port Authority, at a public meeting in Newark City Hall, presented to the New Jersey municipality a proposal for the $76,400,000 development of Newark Airport and Seaport by the Authority on a self-supporting basis.

The program outlined in the report of the Commissioners of the bi-state agency, based on a survey made at the City's request in December 1945, would be financed by Authority thirty-year bonds. The development plan for the Newark Airport called for the complete reconstruction of that field into a great air terminal having three times the capacity of the present facility.

The Newark Survey

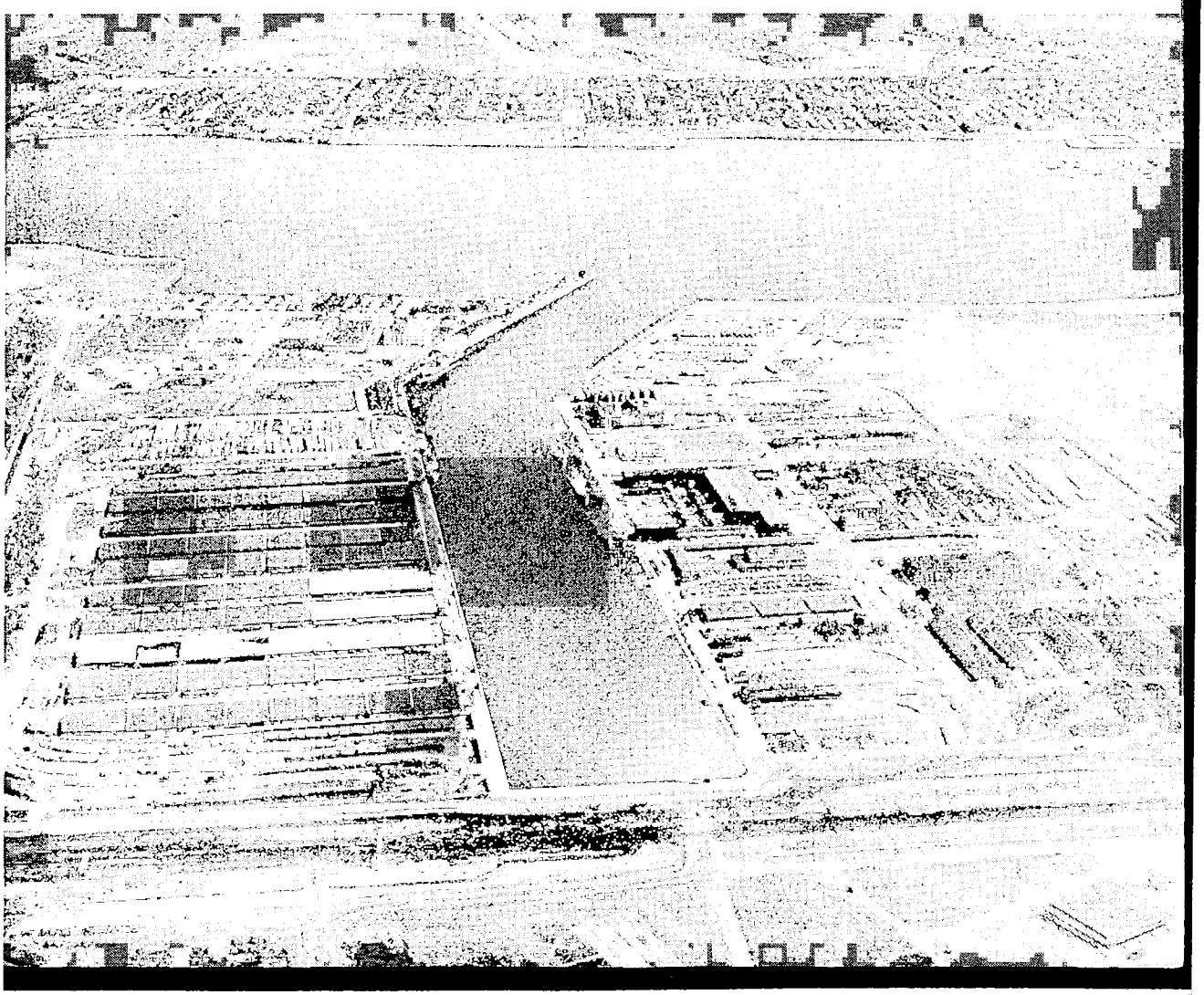
The City's request for a Port Authority airport and seaport survey followed a recommendation to the Central Planning Board of the City of Newark by their Consulting Engineers, Harland Bartholomew and Associates, that the Authority be asked to consider taking over the future development and administration of the Newark marine and air terminals.

The Bartholomew report stated: "Looking to the future, there is no question but that there is much need for a great seaport and airport at the location which Newark has developed for these two facilities. Since the location and the traffic of both the seaport and the airport are so completely integrated with the remainder of the New York metropolitan area, it is unwise for Newark to attempt further to develop these facilities by itself. Their greatest usefulness and the maximum volume of traffic to be expected will be



Newark Airport as it is today. The Port Authority will extend the present 1,400-acre field by some 800 acres to the south and across the Essex-Union county line into Elizabeth, to develop one of the world's greatest and most modern air terminals. The passenger terminal area will provide shopping and recreational facilities for thousands of air passengers, airport workers and visitors. About 540 acres of space will be available for airline maintenance shops and overhaul bases.

The Port Authority's $11,000,000 program for the rehabilitation and modernization of Port Newark will establish this important sector of the Port of New York as a useful and efficient marine terminal. When improved, Port Newark will provide excellent facilities for direct loading from ships to railroad cars for both merchandise and bulk cargoes such as ore and lumber. The estimated demand for the Newark facilities points to a heavy volume of business in the New Jersey port.



attained only through their coordination with other facilities in the New York metropolitan area. . . .

"If a new local port commission were created, it would take many years to create a staff of equal competence and experience and the overhead expense would amount to a substantial sum annually. The Port of New York Authority, at present, has very large financial resources because of its exceptionally fine credit rating and issues bonds at very low interest rates . . . It would be illogical to create a new metropolitan or state agency for this would be a duplication of the functions of The Port of New York Authority."

Newark Airport Development

The Port Authority would build at Newark a completely new airport with an open parallel, dual-runway system capable of handling a peak-hour capacity of about 120 planes, three times the number that can be accommodated at the present facility. Service at the field would not be interrupted.

There would be six runways ranging from 6,400 to 9,000 feet each, and totalling eight miles in length. The Port Authority engineers would design runways capable of handling the new air transports, which are expected to weigh from 125,000 to 150,000 pounds. This is more than twice the weight of most planes now in use, and 25,000 to 50,000 pounds greater than the new "Constellations." The present 1,400-acre field would be expanded 800 acres to the south and across the Essex-Union county line to the vicinity of North Avenue and Humboldt Street in Elizabeth. A 76-acre central terminal area would include a terminal building with over

500,000 square feet of floor space—fifteen times the floor area of the present airport administration building.

The airport terminal would be New Jersey's greatest shopping and recreation center, as well as a transportation facility for the 33,000 plane passengers expected to pass through there daily. It would include restaurants, recreation facilities, shops of all kinds and all modern terminal appointments. Adequate automobile parking space would be provided. About 540 acres would be available for the construction of new hangars by the airlines, for repair shops, overhaul bases, cargo terminals and other auxiliary airport facilities.

The development would convert the low-lying swampy areas of the Newark-Elizabeth Meadows into one of the country's most attractive transportation, recreation and employment centers.

Newark Seaport Development

The estimated demand for marine terminals at Newark indicates a future usefulness even greater than that of prewar days. The addition of Newark's twenty-two ship berths to the facilities of the Port of New York for the accommodation of freighters would greatly relieve the present pressure for berthing space. These berths have not been in active use. The Newark Seaport, when improved, would provide one of the best facilities for direct loading of bulk cargoes, such as ore and lumber, from ships to railroad cars.

The Port Authority's $11,000,000 rehabilitation and improvement program for the Newark Marine Terminal includes the restoration of the port to unified ownership and

operation. Forty-two per cent of the marine terminal and 49 per cent of the channel frontage have been alienated from City ownership. The City of Newark has paid $600,000 of a purchase price of $2,000,000 for a section of the port built as an army base in World War I and now reoccupied by the Federal Government.

A reorganization of the physical facilities of the terminal and of the functions of its component parts would provide four additional steamship berths and transit areas along the channel. The new waterfront service areas would be backed up by conveniently accessible public storage space under an orderly and consistent program of unified management. Approximately 450,000 square feet of new open storage space would be developed by the Authority. The industrial space in buildings and the open areas for industrial use would be doubled.

About $5,000,000 would be spent on new port construction, including 2,000 lineal feet of transit sheds and a 600-foot bulkhead. There would be a new 600-foot canopy for the protection of freight handled to and from warehouses and transit sheds. A combined transit shed and warehouse would be built and new rail trackage and streets would be laid. Backlands of the port property would be filled and graded to make them available for new industrial uses.

Benefits to Newark and the Port District

Newark and the entire port region would benefit from the efficient development of Newark Airport and Seaport. The tax loss, which has been borne by Newark taxpayers

over the years, would be converted to a general benefit and a tax gain. In seventeen years of operation, from 1928 through 1944, the air terminal cost taxpayers of Newark an average of $415,000 a year. In twenty-seven years of operation, from 1918 through 1944, the marine terminal cost the taxpayers an average of $395,000 a year. In contrast to these tax losses, under the Port Authority development plan it is estimated that the $169,000 in personal property taxes received by the City in 1941 from the tenants of the terminal area would be increased until in the years 1955 to 1960 they would range from about $1,350,000 to $1,750,000 a year, an increase of $1,181,000 to $1,581,000. The burden of support of the airport and seaport would be removed from the shoulders of the taxpayers under the Port Authority's program for a self-supporting operation.

The five-year construction program at the airport and seaport would furnish a minimum payroll of $20,000,000. Estimates indicate that at least 28,800 workers would be employed by 1960 at an annual payroll of $50,000,000—eight to ten times the number who worked at the airport and seaport before the war. This is the number of people normally employed in a city of about 75,000. In comparison, the largest industry in Newark has about 5,000 employees, in Elizabeth about 6,000, and the largest on Staten Island about 1,500. The ten largest industries in Newark employ less than 25,000.

Estimates indicate that airlines, concessionaires and other businesses at the airport would employ at least 20,700 with an annual payroll of $33,500,000 in 1955, and 24,500 with an annual payroll of $40,000,000 in 1960. The airlines alone would employ 18,000 workers at the airport in 1955, and

over 22,000 by 1960. It is estimated that by 1955 the seaport operation would require the services of 4,300 workers with an annual payroll of about $10,000,000—more than double the prewar figures.

Municipal employees now at the airport and seaport would transfer to the Port Authority. These employees would have all of the rights, privileges and responsibilities associated with Port Authority jobs. The proper development of the air and marine terminal services in Newark would be a controlling factor in the maintenance of the present prosperity of the area, and the development of new and expanded industrial plants.

Financing of Newark Airport and Seaport

The Port Authority Commissioners informed the City of Newark that the projects could be self-supporting over the life of the thirty-year Authority bonds. The Authority estimates were based on (1) a program of active promotion of revenues from non-airline sources, such as concessions and services, and (2) equitable rates to the airlines. The Authority report estimated that the seaport tonnage would increase 60 per cent over prewar levels, reaching the 1939 level of one million tons by 1949, and 1,600,000 tons or more by 1951. With proper management, revenues could be increased to a gross of about $1,500,000 a year compared with the peak of $260,000 in 1942.

Need for Newark Airport

The Port Authority's Newark proposal was highlighted by the prediction that scheduled domestic air passenger traffic alone would require a fourth major airfield in the Port District, or the expansion of Idlewild beyond the dual-runway stage ten years hence.

The report stated that by 1948 the scheduled domestic air passenger services operating in the New York region will exceed the combined capacity of LaGuardia, Idlewild and Newark as single-runway airports. Even if by 1949 we had a dual-runway airport at Idlewild or Newark, the increased airport capacity would be adequate to meet the increased demand only until 1951. Dual runways at both Idlewild and Newark, and the present single runways at LaGuardia, would meet the indicated air traffic requirements only through 1955, and then only for scheduled domestic air passenger traffic. There could therefore be no question of competition among the airports in the Port District. The problem would be to find adequate facilities.

Over 3,200,000 air passengers entered or departed from the New York region on domestic airlines in 1946. It is believed that this figure will climb to about 17,000,000 in 1950; about 26,500,000 in 1955; and about 32,000,000 in 1960. Even with increased capacity of domestic commercial aircraft, this traffic potential in the Port District would require 53 plane movements per peak hour in 1946; 169 in 1950; 279 in 1955; and 302 in 1960. The present airport facilities in New York and Northern New Jersey are obviously utterly

inadequate to handle the passenger and cargo planes that want to land here.*

The New York Airport Proposal

Mayor William O'Dwyer, on August 2, 1946, requested the Port Authority to prepare for the consideration of the Board of Estimate of New York City a proposal for financing, constructing and operating LaGuardia and Idlewild airports. On August 22 the Mayor asked us to include Floyd Bennett Airport in our studies.

The Commissioners of the Port Authority were in full accord with the view expressed by Mayor O'Dwyer that "if this alternative [development by the Port Authority] should prove feasible, it would relieve the City of a tremendous burden of future airport financing, and at the same time, it would make the terminals available without cost to the City's taxpayers." They therefore agreed to make a survey of the airport situation, and on December 18 they presented a proposal for a lease of the airport properties.

A five-year construction program at LaGuardia and Idlewild airports is expected to require an expenditure by the Authority of $191,156,000. Of this amount, $116,147,000

* On October 22, 1947, the City of Newark and The Port of New York Authority entered into a lease of Newark Airport and Port Newark. The lease is to become effective when the United States Army releases the properties which it holds under a wartime lease with the City of Newark. It is to continue until all of the bonds issued by the Port Authority for Newark marine and air terminal purposes have been paid, but not for more than fifty years. Under the Newark lease, the Authority agreed to finance, rehabilitate, develop and operate the air and marine terminals at Newark. The lease calls for a minimum annual rental of $100,000 a year for the first ten years of the Authority's occupancy of the properties, and $125,000 a year for the remaining forty years. When the total of the net operating revenue of Newark Airport and Seaport for all prior years amounts to 5 per cent of the total debt outstanding on the properties at the time, the rent for the following year will be the minimum guaranteed amount, or 75 per cent of the net revenues of the two facilities, whichever is greater. All properties will revert to the City upon the termination of the lease.

would represent the cost of runways, terminal and service buildings, utilities, air rights and equipment. The remaining $75,009,000 would cover the cost of constructing hangars, shops, offices, air freight terminals and other operating facilities required for the proper development of the airports as major airline operating bases. This part of the construction budget would be supported by airline leases and other leases on a direct self-supporting basis. The Authority proposed to finance the capital development of the New York City airports by the issuance of Port Authority bonds supported by the revenues of the airport and also by its statutory General Reserve.

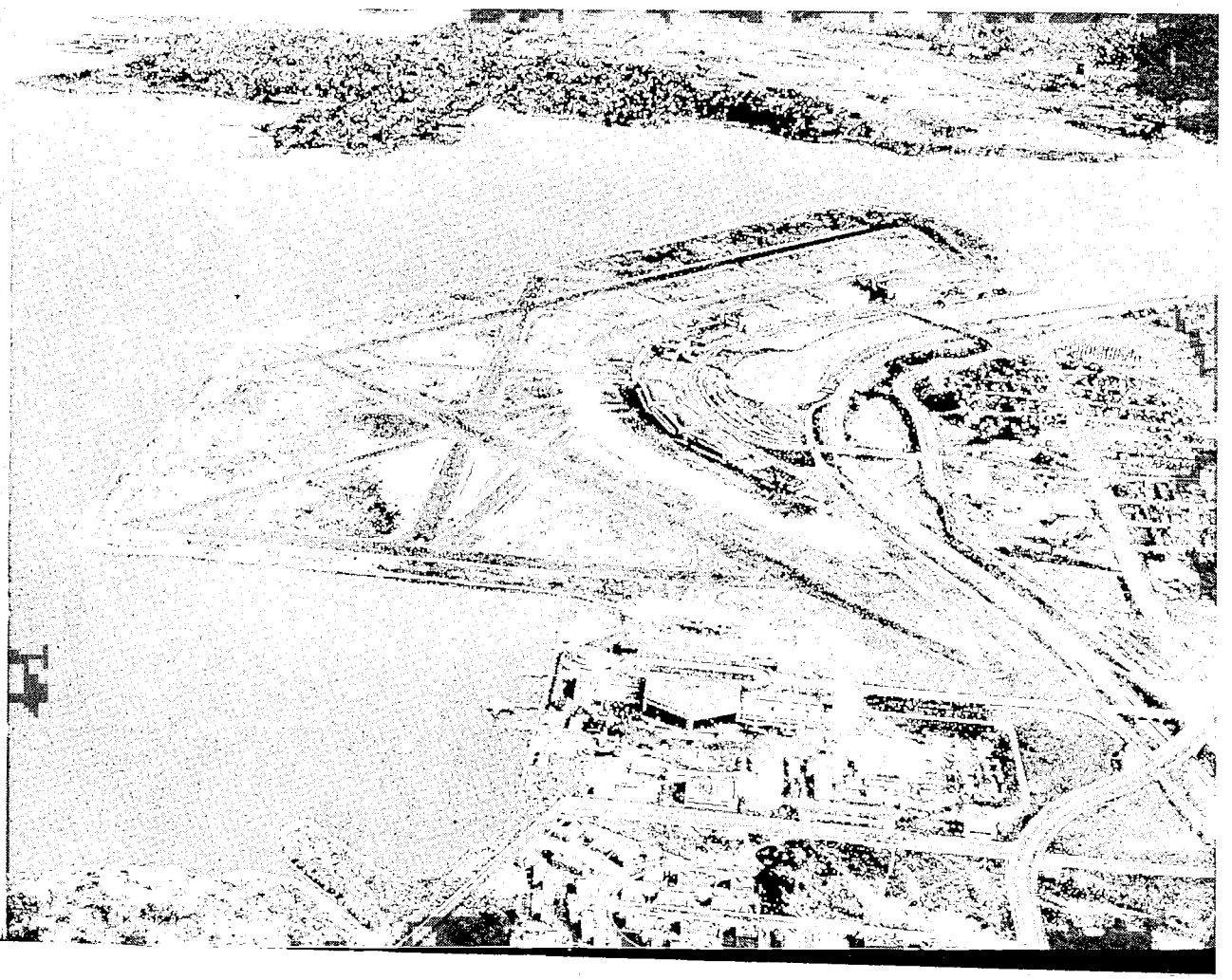
During the term of the leasehold, title to the airports would remain in the City of New York. Under the rental formula which we proposed, the airport properties would revert to the City of New York at the termination of the leasehold.

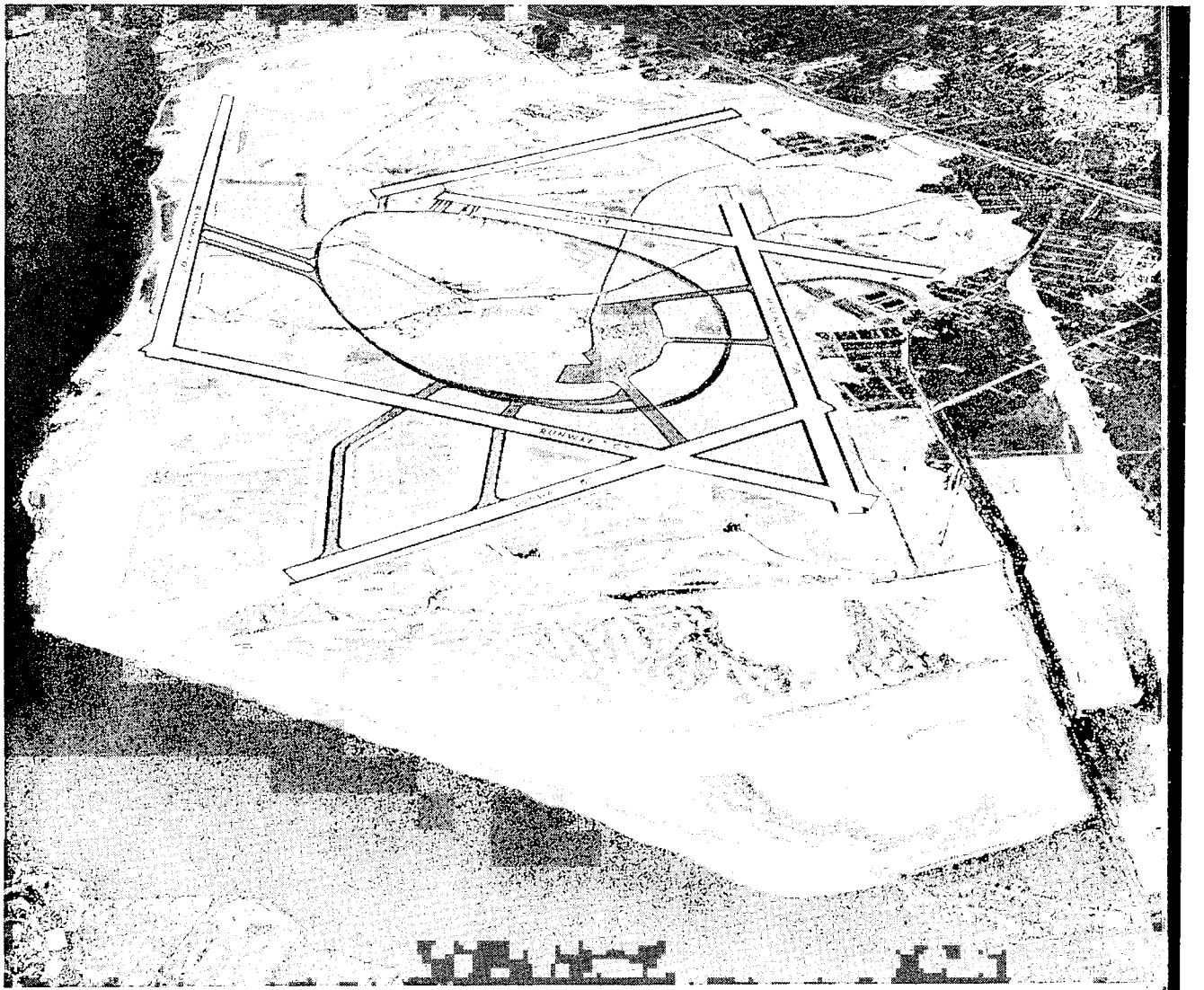
LaGuardia Airport

The Authority's report pointed out that the easterly section of LaGuardia Airport is slowly settling into the waters of Flushing Bay. The unstable area includes a large part of the site of the present terminal building. Within about two years one of the runways will be flooded twice a day by the tide. The Authority disagreed with the City's consultants, Madigan-Hyland, that it would be necessary to close down LaGuardia Airport completely for a year or more in order to remedy this condition.

The closing down of LaGuardia would be a disastrous

LaGuardia Airport, the world's busiest air terminal, will be kept available to air traffic during the rehabilitation of its easterly section. The soft mud underlying the surface will be stabilized to support the runways and utilities. Pressure on this overworked field will be relieved when international and long-haul flights are transferred to New York International Airport (Idlewild), on Jamaica Bay, in accordance with the Port Authority's airport development program.

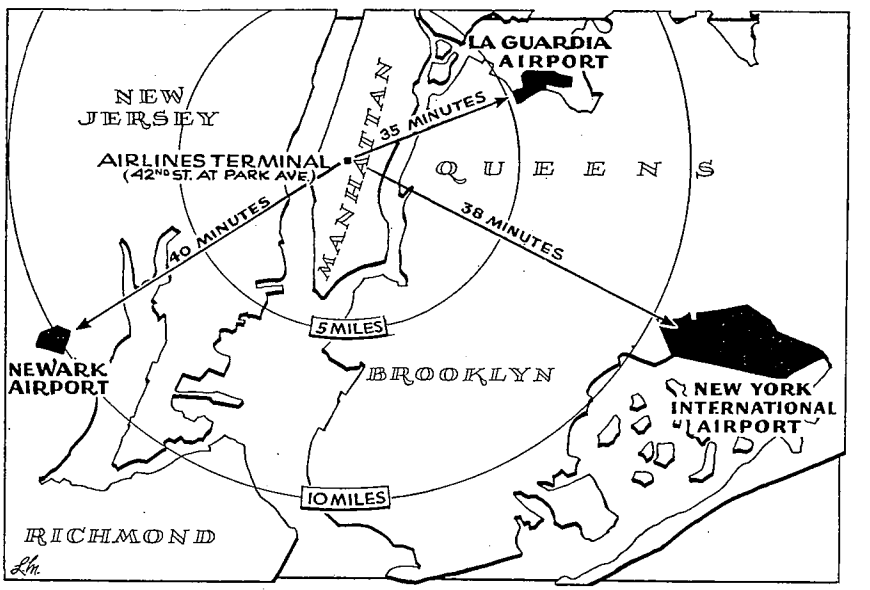




Idlewild Airport, renamed New York International Airport *by the Port Authority, is the largest of the group that will comprise the regional system of air terminals in the Port of New York. Under the Authority's plan, this 4,900-acre airport will be more than a landing field for planes and a station for air travelers. Its terminal buildings will accommodate concessions of every kind for shopping convenience and recreation of thousands of passengers and visitors. The revenues from these activities will help make the airport projects self-supporting.*

expedient at a time when airport facilities are so vital to the welfare of the whole metropolitan area. There would not be adequate runway, hangar, and terminal capacity for scheduled airlines operation without LaGuardia Airport in 1948, 1949, and 1950, even with Idlewild, Floyd Bennett and Newark in operation. It would be a severe blow to the necessary development of New York as the world's greatest air terminal if the LaGuardia facilities were not available to air traffic.

By filling in a portion of Bowery Bay to the west of the airport and extending the east-west runway by 3,000 feet across the filled bay, LaGuardia can be kept in operation while the stabilization of the easterly side is in progress.



The three major airports in the Port of New York are quickly accessible to midtown Manhattan, with travel time between the Airlines Terminal and the airports ranging from 35 minutes to LaGuardia, 38 minutes to New York International (Idlewild) and 40 minutes to Newark.

Idlewild Airport

In our report we proposed the completion of seven runways at the 4,900-acre Idlewild Airport. The seventh runway, Runway V, would be an instrument runway that would not interfere with instrument approaches to LaGuardia Airport. The capacity of the airway approach to Idlewild in instrument weather would be severely limited, drastically reducing both traffic and revenues, if it were divided between LaGuardia and Idlewild.

Both the domestic and international terminal structures would be intensely developed for revenue and service purposes. The Idlewild terminal area would cover 160 acres, which is fifteen times the area of the Yankee Stadium. The domestic terminal alone would be ten times as large as the present terminal building at LaGuardia. In a "continuing World's Fair," there would be restaurants of all kinds, terraced rooms similar to the French Pavilion at the New York World's Fair, cocktail lounges, family restaurants with modest bills of fare, coffee shops, cafeterias, lunch counters, snack bars, soda fountains and meals-aloft service for aircraft operators. There would be branch banks and newsstands, tobacco, souvenir, florist and gift shops, barber and beauty services, moving picture and newsreel theatres, swimming pools and bowling alleys. Lockers and checkroom service and other essential accommodations, including parking garages and parking lots, would be additional sources of revenue. New departures in revenue sources and airport accommodations would include a hotel, an airlines office building and a

sports arena. Revenues would be obtained outside the terminal area from such sources as service stations and repair shops, land rentals and an intramural bus system.

Floyd Bennett Airport

The Authority proposed that Floyd Bennett Airport be made available to the airlines for domestic operation. It asked that the City of New York assign to the Port Authority the City's permit, or aid in negotiating a new permit from the Navy Department.

The Port Authority believes that Floyd Bennett has immediate usefulness for scheduled passenger and cargo services and that after Idlewild is opened it should become a valuable base for operation of non-scheduled air passenger and freight carriers. It would also be of great value as a convenient airport for excursion and other non-scheduled planes whose numbers will increase rapidly in the future. During contact operations, which prevail 80 per cent of the time, Floyd Bennett could be used fully even after Idlewild is opened for scheduled air carriers.

New York City Airport Employees

The City was assured that all airport employees who wished to do so might transfer to equivalent jobs in the Port Authority. The City employees would be eligible for transfer to the New York State Retirement System, with full credit for their service in the New York City Pension System.

Benefits to New York From the Airport Program

Adequate air terminals in the metropolitan region are not only important to airlines, air passengers, and shippers and receivers of air cargo—they have a direct effect upon the general welfare of the community, and particularly upon employment and payrolls.

It is estimated that at LaGuardia and Idlewild, airlines, concessionaires and other users of the facilities will employ a total of 37,000 people by 1960 with an annual payroll of at least $80,000,000.*

The Port Authority Is Temporarily Thwarted in Its Efforts to Help Solve the Mid-Manhattan Traffic Problem Through the Construction of a Great Union Bus Terminal

The Port Authority made every effort throughout the year 1946 to provide a union bus terminal west of Eighth Avenue, outside the congested area, to help relieve the intolerable mid-Manhattan traffic situation which is costing businessmen there an estimated million dollars a day. The general traffic increase in the metropolitan region intensified the need for this terminal, which would eliminate the movement

* On April 17, 1947, the City of New York and The Port of New York Authority entered into a lease, effective June 1, 1947, under which the Authority agreed to finance, rehabilitate, develop and operate the New York airports. The lease is to continue until the bonds issued by the Port Authority for City airport purposes are retired, and all such bonds are to mature within fifty years from date. The lease calls for a minimum annual rental of $350,000 a year for the first ten years of the Authority's occupancy of the airports, and a minimum of $450,000 a year for the remaining forty years. When the total of the net operating revenues of the City air terminals for all prior years amounts to 5 per cent of the total debt outstanding on the properties at that time, the rent for the following year will be the minimum guaranteed amount, or 75 per cent of the net revenues of the facilities, whichever is greater. All airport properties will revert to the City upon the termination of the lease.

over the city streets of the more than 2,500 intercity buses that enter and depart from the midtown area each day.

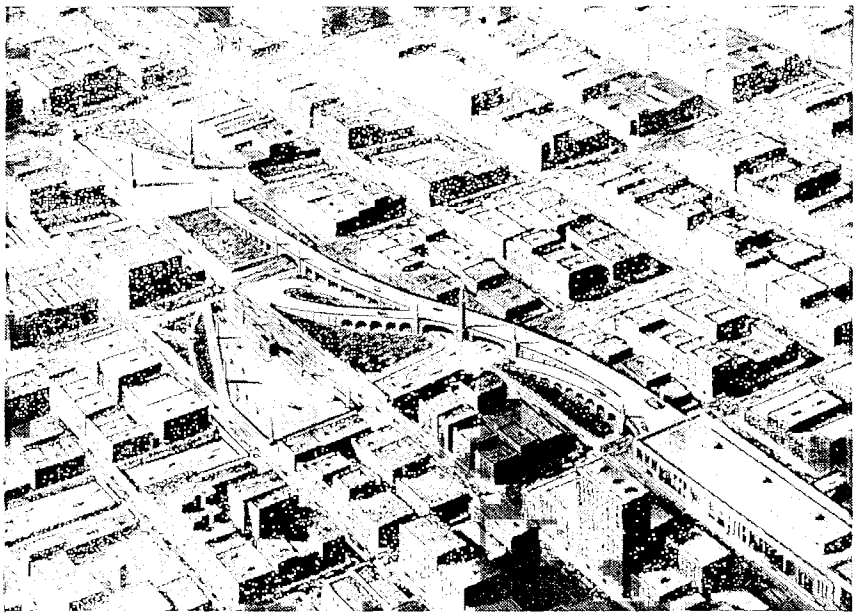
The proposed terminal would be of particular benefit to the 60,000 New Jersey bus commuters and other bus travelers who suffer long delays in reaching their destinations by way of the clogged Manhattan streets. It would prove of particular benefit to residents of Hudson, Bergen, Passaic and Essex Counties traveling to work and to shopping and amusement centers in New York.

The Port Authority Terminal, occupying the entire 200- by 800-foot block from Fortieth to Forty-first Streets, and from Eighth to Ninth Avenues, would in time replace the eight individual terminals now scattered from Thirty-fourth to Fifty-first Streets and as far east as Sixth Avenue. Short-haul buses, which make up 85 per cent of the traffic, would use the ramp connecting the terminal with the Lincoln Tunnel. Long-haul buses would use Fortieth and Forty-first Streets only as far as Ninth Avenue.

Bus passengers arriving at the terminal, a block from Times Square, could reach important business, amusement and shopping centers by convenient subway and surface transportation.

The opposition of the Greyhound Corporation and City Planning Commissioner Robert Moses continued to stand in the way of this great public improvement, which had the support of former Mayor Fiorello H. LaGuardia, Mayor William O'Dwyer and other city officials.

The highlight of this opposition was the adverse action taken by the City Planning Commission on May 1, 1946, when a majority of the Commissioners voted with Mr. Moses



The Port Authority's Union Bus Terminal, to be connected with the Lincoln Tunnel by overhead ramp, will be built west of Eighth Avenue to relieve the congested midtown Manhattan streets of the movement of large intercity buses.

to abandon the body's own proposal of September 1945, prohibiting all bus companies from further terminal development in midtown Manhattan east of Eighth Avenue.

Immediately following the commission's action, on May 8 the Authority returned to the New York State Postwar Planning Commission the sum of $105,337.33. This covered the unexpended balance of the $180,000 fund advanced in June 1944 for design plans and studies for the union bus terminal. In its letter of transmittal, the Port Authority Chairman assured Governor Dewey that the bi-state agency "re-

mains strongly of the opinion that the only hope of any solution of the problem of midtown bus congestion rests in the construction of a public union terminal west of Eighth Avenue. But, so long as the Greyhound Corporation, or any other bus company, is permitted to build a bus terminal in the midtown area east of Eighth Avenue, no other bus lines can be persuaded to come into a union terminal on the west side."

The Authority reported to the Governor that it had expended $82,974.48 of the State funds. Of this amount, $8,311.18 represented accrued interest and profit on the investment of a portion of the funds.

Plans for financing and operating the terminal had been worked out that were acceptable to an overwhelming majority of the bus companies. At the request of the Chairman of the City Planning Commission, and with the cooperation of the Police Department, the Borough President of Manhattan and the Regional Plan Association, extensive studies of congested traffic areas had been prepared. The engineering firm of Parsons, Brinckerhoff, Hogan and MacDonald had been engaged at a cost of $30,000 to assist in supervising these traffic surveys. Preliminary plans for the terminal and its overhead connections to the Lincoln Tunnel had been completed.

The Port Authority in its letter to the Governor recalled that at the time the Greyhound Corporation bought its Thirty-fourth Street property opposite the Pennsylvania Railroad Station east of Eighth Avenue, at the point of the heaviest traffic density in the city, the property had been zoned for retail use. In this zone the construction of bus

terminals was prohibited without the special permission of the Board of Standards and Appeals and the Board of Estimate. In 1941 the Board of Estimate, by a vote of fifteen to one, had denied an application of the Greyhound Corporation to increase the parking area at their Thirty-fourth Street Station.

The enactment by the City Planning Commission in September 1945, of Section 21-D of the Zoning Resolution, was a step toward formal recognition of the exceptionally congested traffic area in mid-Manhattan east of Eighth Avenue. Under this section, the commission could designate such areas within which no new bus terminal could be constructed or existing terminals enlarged. Section 21-D had been, in effect, approved by the Board of Estimate by a vote of fifteen to one. Overwhelming support of the midtown designation was expressed at public hearings held by the commission in December 1945. Nevertheless, on May 1, 1946, the City Planning Commission voted not to designate any exceptionally congested traffic areas. In June 1946 the commission attempted to revise Section 21-D to strike out the provision for designation of congested traffic areas, but the Board of Estimate unanimously disapproved.

Notwithstanding the action of the City Planning Commission, the Port Authority at the end of the year had great confidence that under the leadership of Mayor O'Dwyer, the City would declare its policy to be in opposition to the construction of new bus terminals, or the enlargement of existing ones, east of Eighth Avenue. In the event of such a declaration of policy by the Board of Estimate, the

Authority would be willing to provide the people with this greatly needed public project.*

We Await Materials for Construction of the New York Motor Truck Terminal

Construction of New York City's first union motor truck terminal (Union Terminal Freight Station No. 2) was delayed owing to the unavailability of essential building materials. We completed demolition of the seventy-two buildings on the truck terminal site between Spring and West Houston, and Greenwich and Washington Streets.

The Port Authority appreciates the urgent need for unifying and coordinating the movement of the merchandise freight now entering and departing from New York City by motor truck. As soon as materials are available, our Engineering Department will do everything possible to speed the terminal construction to effect a more efficient handling of less-truckload merchandise in this great business center.

It is expected that the new freight station will reduce street traffic congestion and lower trucking and terminal costs for over-the-road common carriers. It will benefit business and labor in the Port District generally by helping to prevent further increases in the truck freight rates in this area resulting from high terminal costs.

---

* Following the passage by the New York City Board of Estimate on January 30, 1947, of a resolution declaring it to be the policy of the Board that it would not approve the erection of any new bus terminal or the permanent enlargement or extension of any existing one in Manhattan east of Eighth Avenue, the Port Authority immediately proceeded with the sale of bonds for the Union Bus Terminal. It also authorized the acquisition of the necessary real property, and the preparation of detailed construction plans.

The convenient location of the terminal a few blocks from the Holland Tunnel will add to the efficiency of the transfer of about 2,000 tons of merchandise freight daily. The 144 off-the-street truck bays will encircle a freight platform 800 feet long and 80 feet wide. An overhead chain conveyor, serving both sides of this island platform by means of flat trucks equipped with telescopic masts, will hold the rehandling of freight to about 15 per cent, an increase in efficiency of 25 per cent over any existing motor truck terminal. Road-haul efficiency will be increased 20 per cent by prompt turn-around of line-haul trucks. The effect on city traffic may be seen in the fact that there will be an estimated saving of 1,830,000 truck miles a year on local city streets through the use of this station.

Local shippers and receivers are looking forward to the time when numerous loads from many over-the-road carriers can be consolidated at the union station for delivery by local zone vehicles or the consignees' own equipment. Steamship pier congestion will be greatly alleviated by the consolidation of less-truckload lots to each pier in place of numerous individual vehicles arriving with an average of about one and a quarter tons each.

The Newark Motor Truck Terminal

Construction of our Newark Terminal (Union Terminal Freight Station No. 3) was also delayed by lack of materials. Our Engineering Department, however, completed boring tests on the 29-acre site south of Ruppert Stadium and east

of Route 25. Test piles were driven and load tests were made. To be the largest union motor truck terminal in the world, Newark's freight station will have a daily capacity of 2,500 tons.

It is estimated that the terminal operation will save from 60 to 90 cents a ton on the anticipated annual tonnage. It will help greatly in making it possible for Northern New Jersey to meet the competition of other producing and distributing areas in the country. The 1,100- by 200-foot truck station will have an island platform 1,000 feet long and 100 feet wide, and will provide 160 back-up spaces for local and long-haul trucks. As in the New York terminal, it will be equipped with an overhead chain conveyor system, and platform flat trucks with telescopic masts will transfer freight on wheels from one motor truck to another.

Part of the terminal will be reserved as a public freight station to which any shipper can send his own truck or contract truck hired by him, to pick up or deliver his freight to over-the-road carriers.

The Port Authority property is large enough to permit expansion of the terminal operation for handling pool car rail, water, and air freight, and any other mixed merchandise freight requiring platform consolidation.

The New York and Newark union truck terminals are the first in a series of similar freight stations which the Port Authority will construct in the Port District as and when the need for them is demonstrated by these first two terminals.

Design Studies Are Continued for George Washington Bridge Plaza and Approach Improvements

During the year, we continued our design studies for a new northerly plaza on the New Jersey side of the George Washington Bridge where our property will connect with the proposed Palisades Interstate Parkway.

The construction of the Cross Bronx Expressway and Harlem River Drive in Manhattan will make necessary the reconstruction of the Manhattan approaches of the bridge which are the limiting factor in its future use. Numerous layouts and recommendations were studied, and surface and subsurface surveys commenced, for a tunnel at 179th Street connecting the George Washington Bridge plaza with Highbridge Park. This new tunnel will parallel our existing tunnel under 178th Street. When these new highways are in use, it is expected that the pattern of traffic to and from the bridge will change, shifting vehicles to the east side of Manhattan and to the Bronx and Brooklyn, away from the congested West Side Highway and Henry Hudson Parkway.

The Port Authority Participates in Highway and Traffic Planning

Among the studies and design plans we developed during the year for new approaches to Port Authority facilities, were those for the proposed Holland Tunnel exit viaduct. This will double the capacity of the overburdened Twelfth Street viaduct connection to the Pulaski Skyway and Hudson Boulevard and eliminate a bottleneck at that point.

We recommended that the New York City Planning Commission modify in the 1947 capital budget a proposed expenditure of $300,000 for the preparation of plans and specifications for a Lower Manhattan Crosstown Expressway.

This budget item proposed to cover the cost of preparing final plans and specifications for an expressway which would cross the already congested area of the Holland Tunnel plaza. These preliminary and hastily prepared plans, if carried out, would have caused hopeless traffic congestion in the vicinity of the tunnel.

At the same time, the Authority offered to consider a reasonable participation in the financing of the expressway insofar as it would constitute an approach to the Holland Tunnel, provided that final plans included satisfactory traffic interchanges between the expressway and the tunnel. We also offered to pay for an independent survey of a sound alignment and adequate interchanges for the expressway in the Holland Tunnel plaza area. The Borough President of Manhattan indicated his approval of these proposals, and they were under consideration by the City at the close of the year 1946.

Throughout the year, we maintained the closest contacts with highway officials in New York and New Jersey to keep them informed on Port Authority projects, and to learn of their plans for highway development in the two States.

PORT PROMOTION AND PROTECTION

Our Port Promotion and Port Protection Activities Contribute to the Increased Volume of Commerce in the Port of New York

During the first full year of postwar trade and travel, the Port Authority devoted vigorous efforts toward the promotion and protection of commerce in the Port of New York.

In 1946 this greatest of American gateways handled 24,231,000 long tons of import-export cargo valued at $64,-123,000,000, or 44 per cent of the entire value of United States foreign trade.

Sixty-nine steamship lines, with about 500 sailings a month, operated out of the Port of New York to every part of the globe before the war, and in 1946 we were well on our way toward the resumption of this full peacetime transportation service. We cannot expect commerce to continue to move through our harbor, simply because in the past we have been, and today continue to be, the pre-eminent port in the United States, perhaps in the world. If we are to meet the competition of other ports, we must keep step with changes in transportation methods and attack burdensome terminal and transportation costs in the metropolitan area. We must be ever alert to protect the flow of commerce through this port area from artificial diversion by unjustified rate handicaps.

In 1946 air transportation enjoyed great advances and contributed a considerable volume of trade toward our total port business. This comparatively new method of transportation received every possible aid from the Port Authority during

the year. We promoted and protected the development of air commerce, as part of our statutory obligation to promote and protect the movement of land, sea and air traffic into, out of and through the Port District.

Air transportation in 1946 accommodated 3,039,696 domestic and 179,759 overseas passengers arriving at or departing from the airports in the metropolitan area. According to the Civil Aeronautics Administration about 14,000,000 people, more than double the 1945 number, flew the airlines. For the first time, international air passengers numbered more than a million. More than six billion air passenger miles were flown in 1946 as compared with three and a half billion in 1945.

The Port Authority's Chicago Office Promotes the Movement of Commerce From the Middle West Through the Port of New York

During the short period of service since its establishment in October 1945, our Chicago office has come to be relied upon by Middle Western businessmen and transportation interests as an important source of information on rates, services and routes between their communities and overseas destinations, through the Port of New York. In addition, hundreds of Midwest firms look to our Chicago service for direct aid in planning freight movements, particularly on import-export shipments. Throughout the year we have received many complimentary expressions of appreciation from those who use our Chicago service.

We have been particularly helpful through a period when maritime, tugboat, railroad and trucking strikes sometimes resulted in embargoes. We furnished shippers and the Chicago offices of the railroads information on relaxing of temporary embargoes before it was made available by any other source. This service helped prevent the possible diversion of commerce to competing ports.

Our Midwest service included such typical shipping aids as determining the availability of ocean space for a carload of bacon to San Juan; providing rate information on a shipment of wall paper to Algeria; information on ocean space for the movement of 50,000 crates of fresh fruits from Argentina to New York; assistance in booking a shipment of garlic from Buenos Aires to New York; information on steamship services for steel shipments to France; assistance in forwarding 2,400 pounds of protective paints through New York to Brazil; ocean freight rate information for a shipment of transmission belting to Turkey; arrangements with a steamship line for handling twenty-five tons of cheese from Buenos Aires to New York; information with respect to a shipment of 10,000 bathtubs to Sweden; assistance in obtaining space for two cargoes of printing press equipment to Bombay.

We served the French Purchasing Commission in arranging shipments to France of cargoes that included several hundred locomotives and 3,000 box cars. Our assistance resulted in moving through the Port of New York a shipment of 1,100 tons of aluminum scrap and 350 tons of steel stripping. We lined up a shipment of 350 freight cars from Butler, Pennsylvania, to Brazil. Other shipments on which the Chicago office was able to render service covered a wide

variety of goods ranging from cassava flour to wood-working machinery. Through our efforts, a large Chicago firm established a warehouse stock at New York, and another important business selected this port as headquarters for all its export activities. We succeeded in persuading several steamship lines to establish offices in the Midwest.

Our Chicago Manager, Mr. George Weiss, who is an outstanding expert in the fields of ocean and railroad transportation, during the year filled twenty-five speaking engagements before traffic and transportation groups throughout the Midwest, all in exposition of the facilities and services available at the Port of New York.

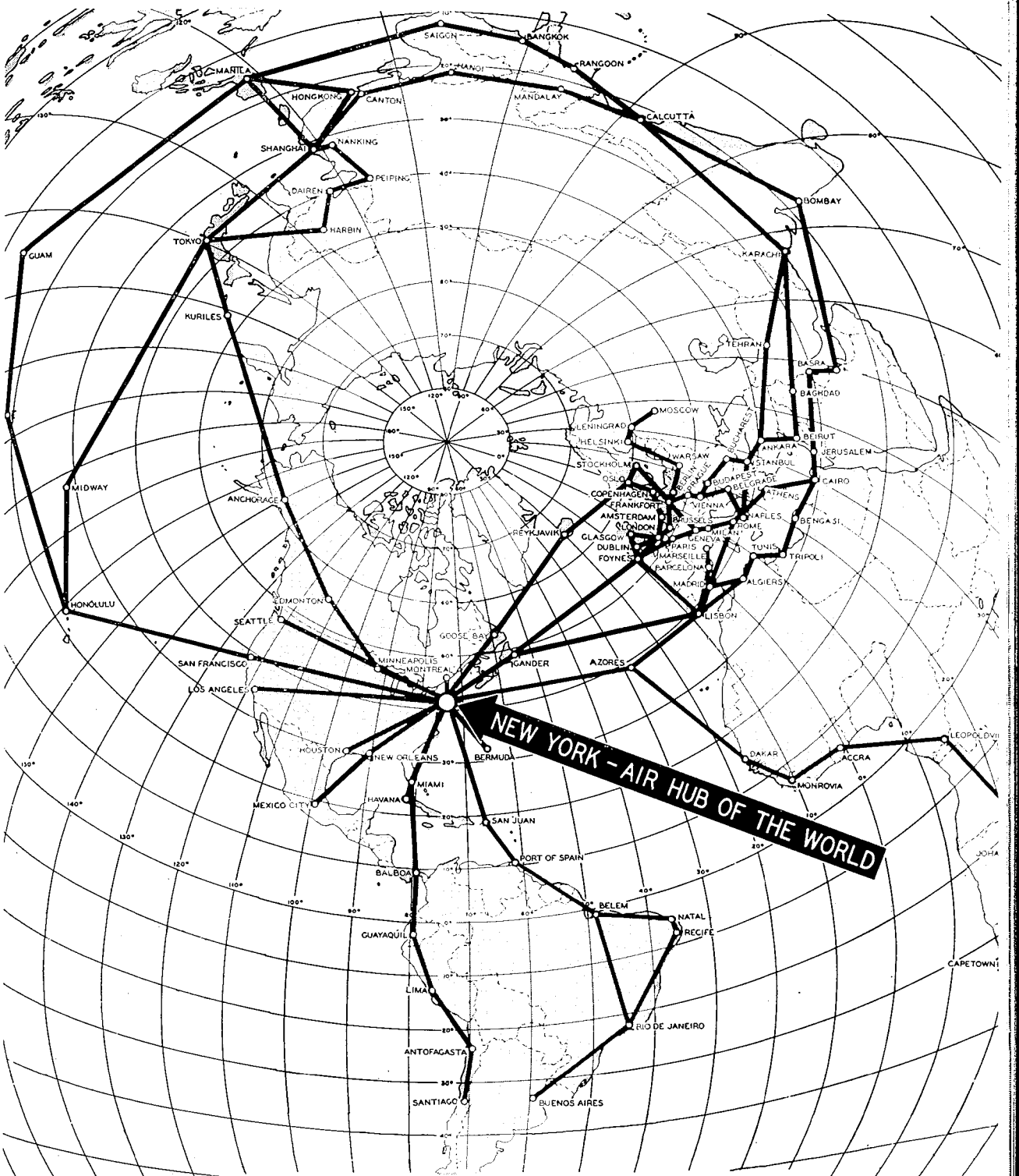
The Port of New York Maintains its Position as the Air Capital of the World

The Port Authority once more played a leading part in the development of adequate and efficient certificated air routes between the New York-New Jersey Port District and various domestic and international air terminals. It continued its vigorous efforts for the development of facilities and services required here if this port is to be able to handle the air commerce which is becoming an increasingly important factor in the general welfare of the people of the metropolitan district.

During the past year, the Port Authority participated in nine proceedings before the Civil Aeronautics Board on proposed air routes that would serve the Port of New York. In two of these proceedings, which had been decided at the

NEW YORK—AIR HUB OF THE WORLD

UNITED STATES FLAG AIR SERVICES CERTIFICATED TO NEW YORK



AZIMUTHAL
EQUIDISTANT PROJECTION

CENTERED ON NEW YORK

ALL STRAIGHT LINES FROM, OR PASSING THROUGH, NEW YORK ARE GREAT CIRCLES AND REPRESENT THE SHORTEST DISTANCE BETWEEN ANY TWO POINTS.

SCALE IN MILES

1000 500 0 1000 2000 3000 4000 5000

year's end, as well as in three cases in which we took part in 1944 and 1945, CAB decisions followed closely our recommendations.

In May the CAB announced the establishment of four of the eight services proposed by the Port Authority in the Latin American case presented in 1944 and 1945. Three of the routes provided new air service from the New York area directly to Havana, to Rio de Janeiro and Buenos Aires, and to Mexico City. These new services eliminated the previous circuitous routes. The fourth route furnished a second service to Bermuda. The Port Authority also recommended the establishment of direct service to the Canal Zone; to the West Coast of South America; and to the North Coast of South America.

In August the President announced the certification of a direct route from the Port of New York to West and South Africa by way of the Azores, with a more circuitous alternative by way of South America as a protection against international complications in Europe. The Port Authority in 1944 and 1945 was the first to argue for the short route from New York by way of the Azores, as compared with the roundabout wartime route from Miami by way of Brazil.

Another Presidential announcement in August reported the authorization of a new air route to be flown by Northwest Airlines, connecting New York and Chicago, as co-terminals,

with the Orient. The new flight conforms closely to the Port Authority recommendation and will follow the Great Circle route. It will provide, for the first time, direct single-carrier service between New York and Alaska and East Asia, and will be 1,900 miles shorter to Shanghai and 1,600 miles shorter to Manila than the present routes by way of the mid-Pacific islands.

In the past year, we intervened in two new proceedings for the establishment of direct routes between the Port of New York and various international points. One of these proceedings, the TACA (Transportes Aereos Centroamericanos, S. A.), was on behalf of a direct route between the Port of New York and the North Coast of South America. This route was denied in July in conformance with the CAB's tendency to limit the operations of foreign flag carriers to the seaboard, reserving the domestic territory to domestic carriers.

In the Pan American-Panagra agreement case, we urged the establishment of direct air service between the North and West Coasts of South America and the Port of New York. Under this proposed certification, Pan American would charter Panagra's planes for service north of the Canal Zone. This would permit direct single-plane air service between Miami and the entire West Coast of South America. In the event of certification of Pan American service between

New York and Miami, the proposed Pan American-Panagra agreement would permit direct through service between the South American points and the Port of New York, as originally proposed by the Port Authority in the Latin American case.

Seven of our CAB interventions were on behalf of improved domestic air service for the Port District and United States traffic centers. In the Pan American domestic case we urged that overseas routes be connected with major traffic centers, such as New York, to provide direct single-carrier service to Australia, New Zealand, Pacific Islands beyond Hawaii, and points in the Caribbean and South and Central America. The establishment of such direct routes would eliminate delays of from three to eight hours for the 61,000 air passengers expected to require this foreign travel.

The Port Authority successfully protested the CAB Examiner's recommendations that only three of forty-four communities in New England and upper New York State, with populations ranging from 15,000 to 100,000, should be provided with direct airport service to the Port District. In this first major case involving a regional air service pattern for a small, densely populated area, the Port Authority was able to interest the Board in its proposals for a so-called area certificate. In its June decision, the CAB made New York the focal point for air service to twenty-three communities in

New England and eastern New York State, guaranteeing easy access to many resort and vacation areas with which we had no previous air connections. It also provided connecting service to a great number of additional communities throughout New England.

Based on a similar principle of area service, in the Middle Atlantic case the Port Authority asked the Washington agency to establish non-trunkline air service between the Port District and seventy-six communities in New Jersey, New York, Maryland and Pennsylvania. At the same time, we urged that Trenton, New Jersey; Wilmington, Delaware; and Altoona and Johnstown, Pennsylvania, be certificated as intermediate stops on direct trunkline air routes to the Port of New York.

The Port Authority pointed out that the established carriers in the Middle Atlantic proceeding proposed to bring direct air service to the New York district from only fifteen out of eighty communities of more than 10,000 population. The remaining sixty-five communities have a total population of almost 1,200,000, and an average population of about 18,000.

The need for truly competitive service between New York and Atlanta and New Orleans to improve the present slow and inadequate service was stressed in our presentation in connection with the New York-New Orleans case.

We protested the Examiner's report in the New York-Cincinnati case, in which he recommended new direct single-carrier service between New York and Cincinnati, but failed to recommend service which we considered necessary to points beyond Cincinnati, including Louisville, St. Louis, and Tulsa-Oklahoma City. We made our original presentation in this proceeding in 1945.

The Port Authority supported the application of Air Commuting, Inc. for air service between Manhattan and commuting centers in the Port District. In July the CAB Examiner recommended that a temporary certificate be granted to the company authorizing a three-year trial for commuting operations.

We supported the certification of air service by steamship lines. The CAB, however, has not yet granted certificates for American flag water carriers to operate overseas air routes, although foreign flag steamship companies are now providing air service to the United States. The Matson Steamship Company and the Waterman Steamship Company are operating non-scheduled air service to Hawaii and Puerto Rico.

Air freight forwarding is in its infancy and will require a maximum of flexibility. The Port Authority therefore recommended to the CAB that regulation of air freight forwarders be held to a minimum.

In July we recommended that the CAB permit the continuance of pioneering activities by non-certificated carriers in areas not now covered by regular certificated carriers. In November the CAB announced a new set of proposed regulations, which closely follow our recommendations. Oral argument on these regulations was set for January 1947.

The Port Authority Played a Particularly Important Role in Miscellaneous Air Transportation Activities

We participated in meetings of the Regional Airport Conference whose membership, in addition to the Port Authority, includes representatives of the Regional Plan Association and the twenty-one counties in metropolitan New York and New Jersey. The Conference produced several reports recommending the regional development of airports in this area, and indicated the probable need for a fourth major airport in the metropolitan district within ten years.

In October we recommended to the Civil Aeronautics Administration that its proposed rules and regulations should make it feasible for operators of large airports to accept Federal aid in order to make the airports self-sustaining.

The Port Authority Continues Its Activities on Behalf of Restoration of Coastwise Shipping

In prewar days, about one-third of the harbor activities, such as stevedoring, rental of piers and other services and facilities related to shipping, were directly associated with the coastwise and intercoastal services. All of these services,

which accounted for over $40,000,000 in annual benefits to the people of the New Jersey-New York Port, were temporarily ended by the war. During the past year substantial progress has been made toward the resumption of these services, which play such an important economic role in the Port of New York.

In January, in a report to the War Shipping Administration entitled "Economic Importance of Coastwise Shipping to the Port of New York," we urged the prompt restoration of coastwise shipping service. At the same time, to assure adequate net revenues for the restored service, we stressed the need for protection of such service against unjustified rate-cutting by the railroads in the territory immediately paralleling port-to-port operations.

* * *

Following an original survey, the Port Authority concluded that coastwise services through the Port of New York were a great benefit not only to this port, but to shippers and receivers of freight in hundreds of communities in almost all of the States of the Union. The survey proved that economies found in this type of transportation reduced shipping costs and broadened trade and distribution territory. Actually, in 1939 shippers using coastwise services at the Port of New York saved about $12,000,000 by moving their goods through this harbor at water or water combination rates, as compared with all-rail rates.

Many of the shippers indicated that they could not continue to compete in distant markets if they were deprived of coastwise service. They reported that their products,

whether raw materials or finished goods, would be eliminated entirely from United States commerce if they were compelled to ship under the burden of all-rail rates. At the same time, they reported an estimated increase of about 30 per cent over the 1939 volume in their possible future coastwise traffic.

The backbone of reserves of ships and men for wartime needs, coastwise services in 1939 included regularly scheduled general merchandise service by ninety-nine ships which carried about 4,400,000 tons of freight between the Port of New York and South Atlantic and Gulf ports. Before the war, benefits to port business and labor from this shipping activity amounted to about $30,000,000 a year. On the basis of the additional savings of $12,000,000 to coastwise shippers and the estimated 30 per cent increase in the use of the service previously mentioned, restoration of this shipping would mean about a million dollars a week in benefits to port businesses and workers.

* * *

The War Shipping Administration, and later the Maritime Commission which took over the War Shipping Administration's functions in October, requested the Interstate Commerce Commission to extend the Government's operating authority for coastwise and intercoastal steamship lines. The Port Authority recommended that Government operation be continued until private operation could be re-established on a sound economic basis.

The War Shipping Administration and the Maritime Commission in March petitioned the ICC for an investigation of the abnormally depressed railroad rates, paralleling water line operations. The Port Authority, together with repre-

sentatives of other ports, supported this request. In August the ICC issued show cause orders to the railroads, and in December ordered a broad investigation of competitive rates between rail and water carriers.

Related to our interest in the resumption of coastwise shipping was our participation in the Florida citrus fruit case, in which the ICC was requested to modify railroad rate slashes designed to eliminate water competition for citrus fruits moving from Florida to North Atlantic ports. The modification of these reduced rates by the ICC in December encouraged the re-establishment of coastwise services.

Similarly, the ICC's decision cancelling the railroads' proposed elimination of water-rail rates between New York and certain points in the Southwest in the so-called Deming rates case, protected the resumption of coastwise service.

In July the Newtex, Agwilines, and Pan Atlantic Steamship Lines resumed their coastwise services. Of these, all but the Pan Atlantic, a private corporation, were operating as agents of the Maritime Commission. In December, the American Liberty Steamship Corporation also commenced service as an agent of the Maritime Commission.

Results of Port Authority's Activity in the Protection of the Commerce of the Port of New York

In the past year we continued to keep watch on transportation rates, charges and practices of the railroads, motor carriers and shipping lines. In this connection we participated in eighteen proceedings before the Interstate Commerce Commission, and decisions favorable to the Port of New York were in many cases announced by the ICC.

We have already described our interventions in the so-called Deming and Florida citrus fruit cases. In June the ICC sustained us in our opposition to separate costs for wharfage and loading and unloading to and from cars, in addition to line-haul rates applicable to and from the army base piers in Norfolk, Virginia. Such a rate procedure would seriously disrupt the relationships of the North Atlantic ports.

* * *

We intervened to prevent widening of the existing port differential relationships in connection with the petition of railroads for a general 25 per cent increase in freight rates.

* * *

For several years the Port Authority has participated in proceedings involving motor truck rates between New England States and the New York District. In May the ICC Examiner maintained that a higher scale of rates should be allowed between the New England States and the Port District, with extra charges for truck deliveries and pickups at piers covering export and import freight. We will continue our fight against this discriminatory proposal.

* * *

We expressed our opposition to a disruption of the existing zone relationships within the New York Port District in the ICC investigation of New England increased motor rates and transfers.

We petitioned the ICC for suspension of motor carriers' tariffs under which the minimum charges on truck shipments to and from New York piers would be increased twenty-five cents a shipment, while there would be no increase of such charges at other ports. The ICC suspended the proposed increase and the Middle Atlantic States Motor Carrier Conference later withdrew its proposed tariff rule, thus giving us a complete victory in this important port protection move.

* * *

We protested against proposed motor carrier tariffs which unduly increased charges to and from the New York district, following the wage increases resulting from strike settlements in October. The rate increases exceeded those proposed for competitive ports where similar wage settlements were effected. The ICC agreed to investigate these increases, although they did not suspend them.

* * *

The Port Authority obtained a suspension of proposed revised pickup and delivery rules for eastern rail carriers, under which this service to any shipper could be withdrawn if the carriers decided delivery was impracticable.

* * *

In August we requested the suspension of changes in four tariffs of the Brady Transfer and Storage Company. These tariffs included a rule to the effect that the rates would not cover delivery service when space available at the consignee's

receiving department, or the condition of street or alley approaches, did not permit direct delivery from trucks. The ICC suspended the schedules and in December the company withdrew its tariff proposal.

* * *

Pre-hearing conferences were attended in connection with a proposed ICC investigation of the reasonableness and lawfulness of charges, rules, regulations and practices of the railroads and motor carriers affecting pickup and delivery service.

We protested and blocked the proposed cancellation of cartage and transfer charges on domestic freight moving from rail stations to intercoastal steamship piers in New York. This proposal by the rail carriers would have discriminated against the port, since carriers provide shipside delivery at the line-haul rate at competing ports, such as Philadelphia, Baltimore and Norfolk.

* * *

We intervened against the establishment of special rail rates with dual carload minimum weights, which would have favored export traffic to Baltimore and would have destroyed the long-existing port relationships in this connection. The tariff was suspended and in April the proceeding was indefinitely postponed.

* * *

In an order defining commercial zones within which local motor carriers are exempt from regulation, and terminal areas within which certificated over-the-road motor vehicle operators have pickup and delivery systems, the ICC noted

that the New York and Northern New Jersey area would receive further consideration of its special circumstances. The Port Authority, since 1936, has been urging a definition consistent with the facts in regard to the commercial unity of the district.

* * *

The Port Authority filed a protest against a new tariff covering Railway Express Agency pickup service from steamship piers in the Port District, which would be an addition to the company's line-haul rates. Before the ICC could take action, the company voluntarily withdrew the tariff.

* * *

We protested increases in rates filed by the New England Motor Rate Bureau, which would increase the spread in rates to and from the various zones in the New York Port District. The ICC took no action, with the result that the rates became effective when the motor carriers declined to extend a previous voluntary suspension of their schedules.

The Port Authority Participates in Various Additional Port Promotion and Protection Activities

We opposed a proposal by the Middle Atlantic States Motor Carrier Conference for increased truck detention charges at steamship piers, and urged against the removal of the maximum charge of $20 per vehicle now in effect. The Conference recommended adoption of tariff changes with a much more liberal free time period at the piers, but eliminated the

maximum charge per vehicle. We successfully argued against the imposition by the Middle Atlantic group of a charge of four cents per hundred pounds to cover truck unloading at steamship piers.

Following our protest, the Railroad Trunk Line Association agreed to cancel prejudicially low storage rates on wood pulp at Baltimore . . . Our suggestions for the revision of the New York District terminal tariff to cover approximately the same area agreed to by the Middle Atlantic States Motor Carriers was accepted by the Southern Motor Carriers. . . At a hearing before the Middle Atlantic States Motor Carriers, we successfully opposed a proposal for an additional charge of ten cents per hundred pounds where, because of street conditions or municipal regulations, it was impossible to collect or deliver goods by trucks on account of their length or weight . . . We also successfully argued against a proposal by the Trunk Line Association for increasing extra towing charges beyond the free lighterage and floatage limits.

The Port Authority pressed the rail carriers to reinstate prewar rules and regulations for the acceptance of through export bills of lading. We suggested that these rules include provisions for the transfer of l.c.l. freight by the railroads from their stations to steamship piers.

The Port Authority Interests Itself in Channel Modifications for Improvement of Commercial Navigation in the Port District

During the year we studied more than a score of applications for the modification of channels in the Port of New

York, prior to hearings before the United States Army Engineers, and made recommendations for seven improvements.

We recommended the deepening of a certain section of the Arthur Kill Channel from thirty to thirty-five feet . . . the sharing of expenses between the Federal Government and the Titanium Corporation in the improvement of the Raritan River Channel because of unusual silting conditions . . . a turning basin at the upper end of the thirty-foot channel in the Hackensack River . . . the deepening and widening of the Mott Basin in Jamaica Bay . . . the improvement and maintenance of Port Chester harbor . . . the New Jersey State Highway Department's bridge proposals for Route 100 and Route S-3 . . . the deepening of Gowanus Channel in Brooklyn.

We Oppose the Great Lakes-St. Lawrence Seaway

We opposed the construction of the Great Lakes-St. Lawrence navigation project, without taking any position on the question of public power development on the St. Lawrence. We informed the Special Senate Foreign Relations Subcommittee at hearings on the proposed seaway, that we were opposed to the project because it could not be justified from an economic standpoint as a transportation project. The St. Lawrence seaway construction, as of 1946 prices, would cost the United States about $350,000,000 for the navigation phase of the proposal. Interest, amortization, operation and maintenance of this part of the seaway would cost United States taxpayers $20,000,000 a year. The tax-

payers living in the States of New Jersey and New York would bear more than one-fourth of this cost, or more than $5,000,000 a year. We do not believe that such a burden is justified. For a one-dollar saving in transport costs, four dollars would have to be spent. This is not economy. It is waste.

While the potential traffic and savings would not justify the cost of the project, the diversion of commerce from the Port of New York would be substantial if the seaway were built. About 50 per cent of the export-import commerce of the seaway would be commerce diverted from the Port of New York. Jobs of 200,000 workers in the Port District would be endangered.

The suggestion that the seaway would benefit New York by opening up a cheap water route from the Great Lakes by way of the Gulf of St. Lawrence is completely specious. The water distance of such a route would be three times as long and twice as costly as the route via the New York State Canal and Hudson River, traversed by motorships from Detroit in five days with prewar cargoes of 1,800 tons. With the completion of the Federal improvements on the canal from Lake Ontario to the Hudson River, now 80 per cent finished, capacity of shipping on this waterway will be increased another 25 to 40 per cent.

The Authority took no position on the development of hydroelectric power in the St. Lawrence. Such development would not be dependent upon the navigation phase of the proposal, either from an economic or an engineering point of view. It could be undertaken by the State of New York and the Province of Ontario at no greater cost to them than their share of the wasteful seaway project.

Our Promotional Publications Are Helpful to Port Interests

Thirty-nine issues of our Commerce News Bulletin were distributed in 1946 to more than one hundred freight solicitors for railroads, steamship lines, and trucking companies in the Port District. Response to this service proved that the advance information contained in the bulletins was of great assistance to the carriers in obtaining business for their lines.

Three hundred thousand copies of the Port Authority's revised Metropolitan Highways road map, and 75,000 copies of a special Lincoln Tunnel road map were distributed as a service to motorists using our facilities.

Port Authority Bridges and Tunnels Speed the Increasing Traffic of the Metropolitan Area

A total of 41,202,474 vehicles used the Port Authority crossings in 1946, as compared with 30,072,615 in 1945, an increase of 11,129,859, or 37 per cent. Traffic for the year was 10,601,907 vehicles over the last peacetime year, 1941.

Our facilities carried their heaviest traffic loads and contributed greatly toward the improved economic situation in the New York-New Jersey Port District by speeding the flow of trade and travel between the two States. During the year the George Washington Bridge handled 12,364,908 vehicles, the Lincoln Tunnel 9,610,114 and the Holland Tunnel 15,351,332. The Bayonne Bridge, Goethals Bridge and Outerbridge Crossing accommodated 3,876,120 vehicles.

The toll revenues for 1946 were $23,434,963, an increase of $5,916,007 over 1945, or 33.8 per cent.

Service at the Port Authority Crossings Is Increased to Keep Step With the Traffic

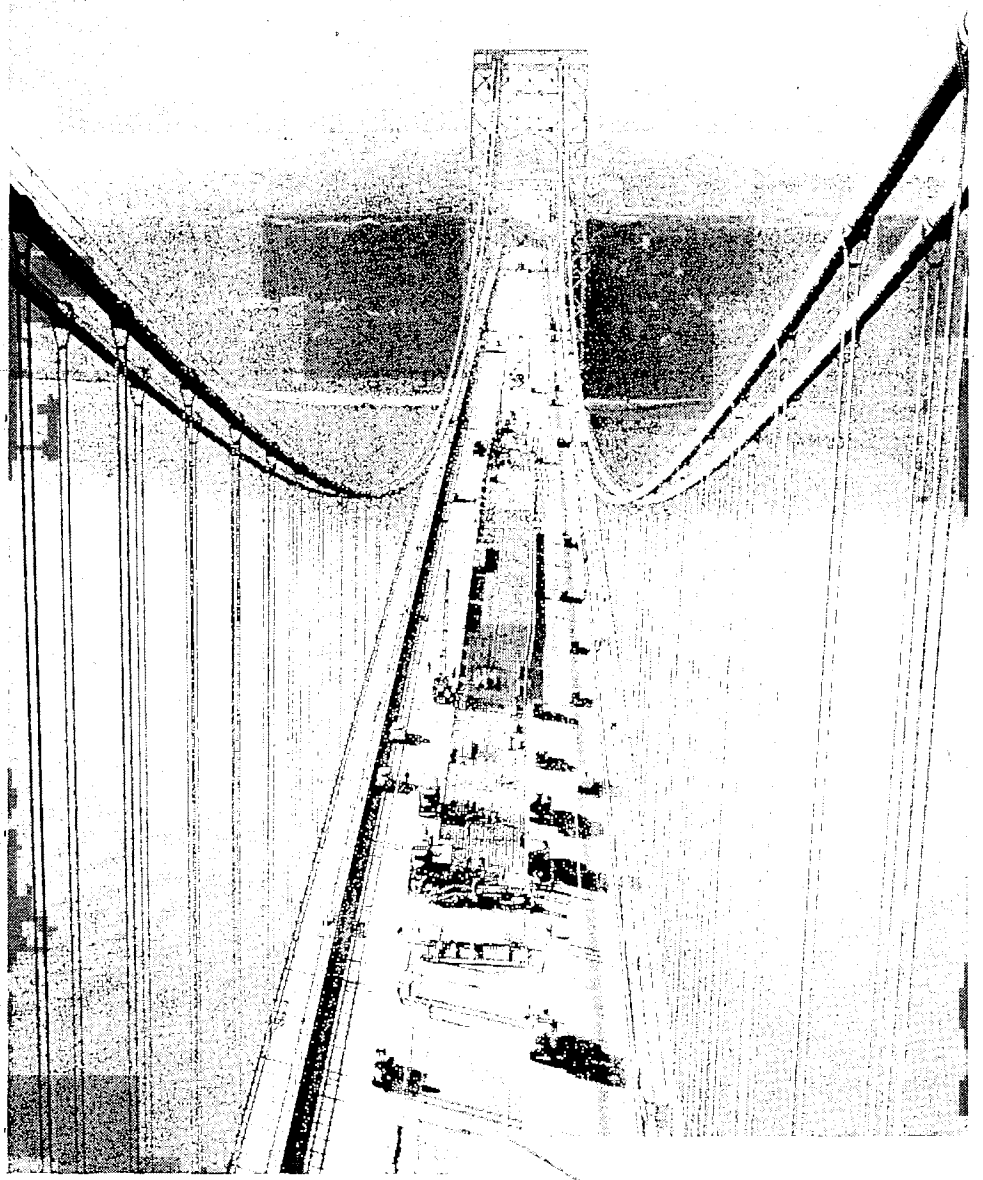
The handling of the greatest volume of traffic in our history was complicated by the fact that many of the vehicles on the road in 1946 had been in use over ten years. These old-age autos, buses and trucks were subject to breakdowns and caused an abnormal number of traffic stoppages. In the Holland and Lincoln Tunnels 11,600 stoppages were recorded in 1946, as compared with 10,250 in 1945 and 3,648 in the

prewar year of 1941. This record averaged one stoppage for every 2,100 vehicles in the tunnels in 1946, as compared with one for every 1,800 vehicles in 1945. The Port Authority during the year did everything possible to expedite the handling of these breakdowns. We increased our staff and added new emergency equipment to speed up the clearance of the roadways. We opened additional toll booths, discontinued exclusive use of lanes by military vehicles, increased policing of the plazas, roadways and tunnels. At the George Washington Bridge for the first time a traffic officer was stationed atop the New York tower on Sunday evenings to spot and report stoppages.

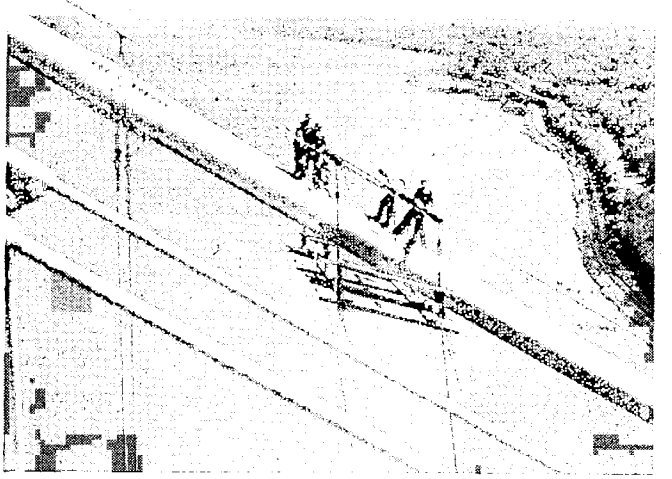
The Port Authority makes no charge to its patrons for towing and similar emergency services. During the year, users of our facilities again expressed appreciation for the efficient and courteous handling of emergencies by our traffic officers and emergency crews.

Two New Lanes Are Furnished at the George Washington Bridge

We paved the two center lanes at the George Washington Bridge to bring to a total of eight the roadways available to carry the increasing traffic load. These lanes, which remained unpaved pending the development of a real need for them, are now both used on Sundays to help accommodate heavy traffic. At other times, the south lane is used in the morning rush hours from west to east, and the north lane in the evening rush hours from east to west, leaving one lane free for handling stoppages and emergencies or for use should traffic require it.



Above: With the paving of the two center lanes of the George Washington Bridge, eight roadways are now available to carry New York - New Jersey vehicular traffic over this great trans-Hudson span.



At right: The George Washington Bridge painting picture that was "flashed around the world" to become one of the most widely printed of all 1946 news photographs.

Operating Expenses Are Increased

Operating and general expenses in 1946 totalled $7,176,168, as compared with $6,038,266 in 1945, an increase of $1,137,-902, or 18.8 per cent. For the most part, this increase was accounted for by an adjustment in salaries to meet comparative salary scales, the establishment of a five-day week for employees, an increase in personnel to handle the heavier traffic volume, increased payments to the Pension Deficiency Reserve, and increased cost of materials. One large additional operating expenditure was $152,000 for the George Washington Bridge painting job. This mighty span had not been painted during the war years because of the scarcity of aluminum paint.

At the Holland Tunnel new operating costs resulted from paving improvements, re-roofing the penthouse field office, and installing roadway sewers and sump pumps at the four portals. We commenced replacing the dark metal baffle plates along the curbs with white tiling, to improve the lighting and general appearance of the tunnel.

The Port Authority Grain Terminal Volume Shows a Temporary Sharp Decline, but Columbia Street Pier Activity More Than Makes Up for Decrease in Elevator Income

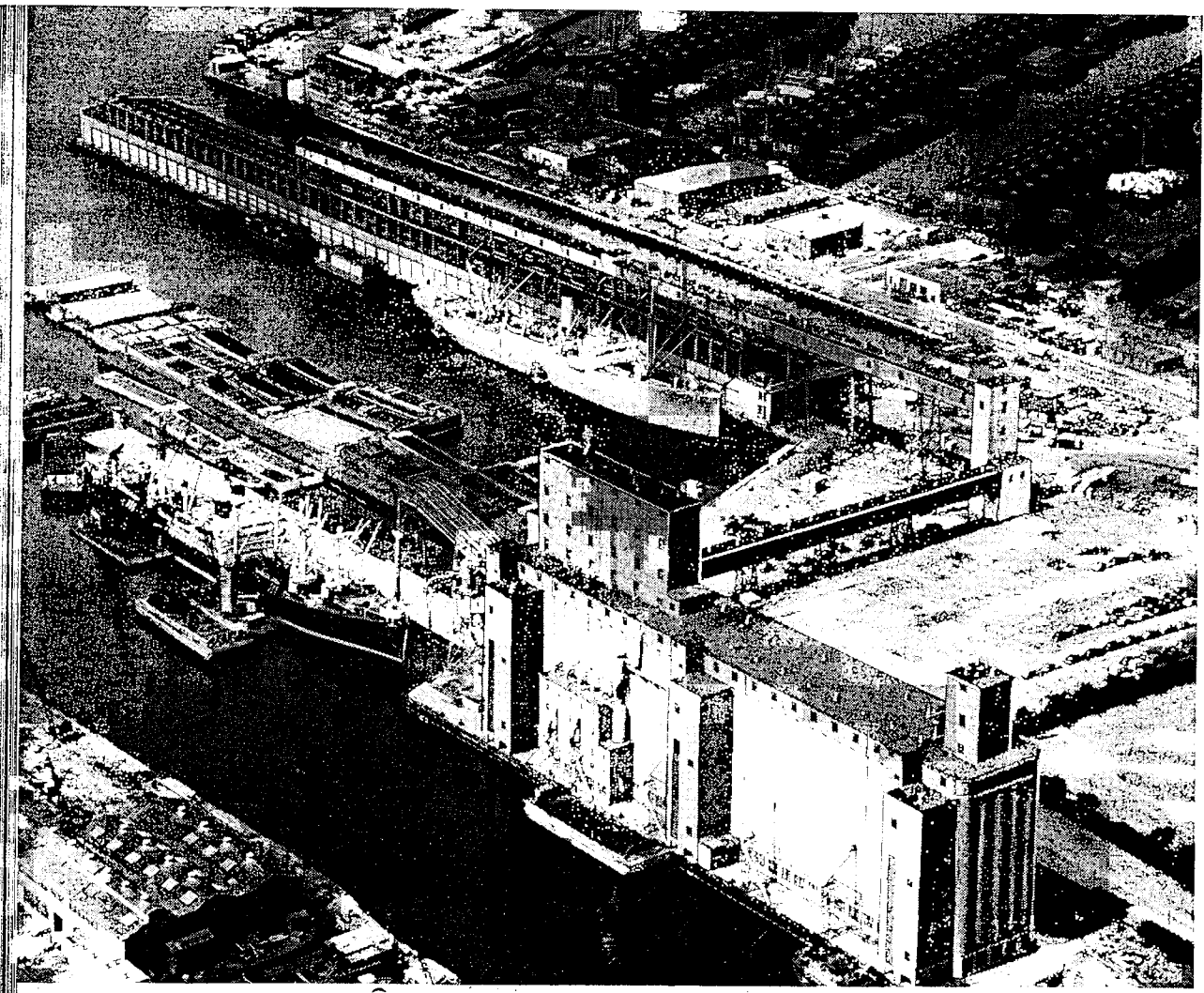
During 1946 gross revenues of the Port Authority Grain Terminal on Gowanus Bay in Brooklyn totalled $263,963.56 as compared with $250,894.99 in 1945, an increase of $13,-068.57. Revenues from the grain elevator operations totalled $22,990.80, as compared with $109,667.04 in 1945, a decrease

of $86,676.24. But this decline in net income was more than offset by an increase of $95,266.85 in income derived from piers and wharves. Increase in miscellaneous revenues amounted to $4,477.96. Operating expenses were reduced $5,464.48. The net income for the year 1946 was $141,353.38 as compared with $122,820.33 in 1945, an increase of $18,533.05.

The Grain Terminal property was transferred to the Port Authority by the State of New York on May 1, 1944. A 1,800,000-bushel elevator with pier and other facilities, it was empty and in disrepair when taken over. It will be completely rehabilitated. Under the terms of the transfer, the State of New York advanced $1,150,000 to the Authority as a rehabilitation and initial operating fund to be repaid out of earnings of the terminal at the rate of $65,000 a year, including interest at 2 per cent. The terms also provided that we were to pay the State $50,000 a year, if earned, for ten years after the rehabilitation fund had been liquidated.

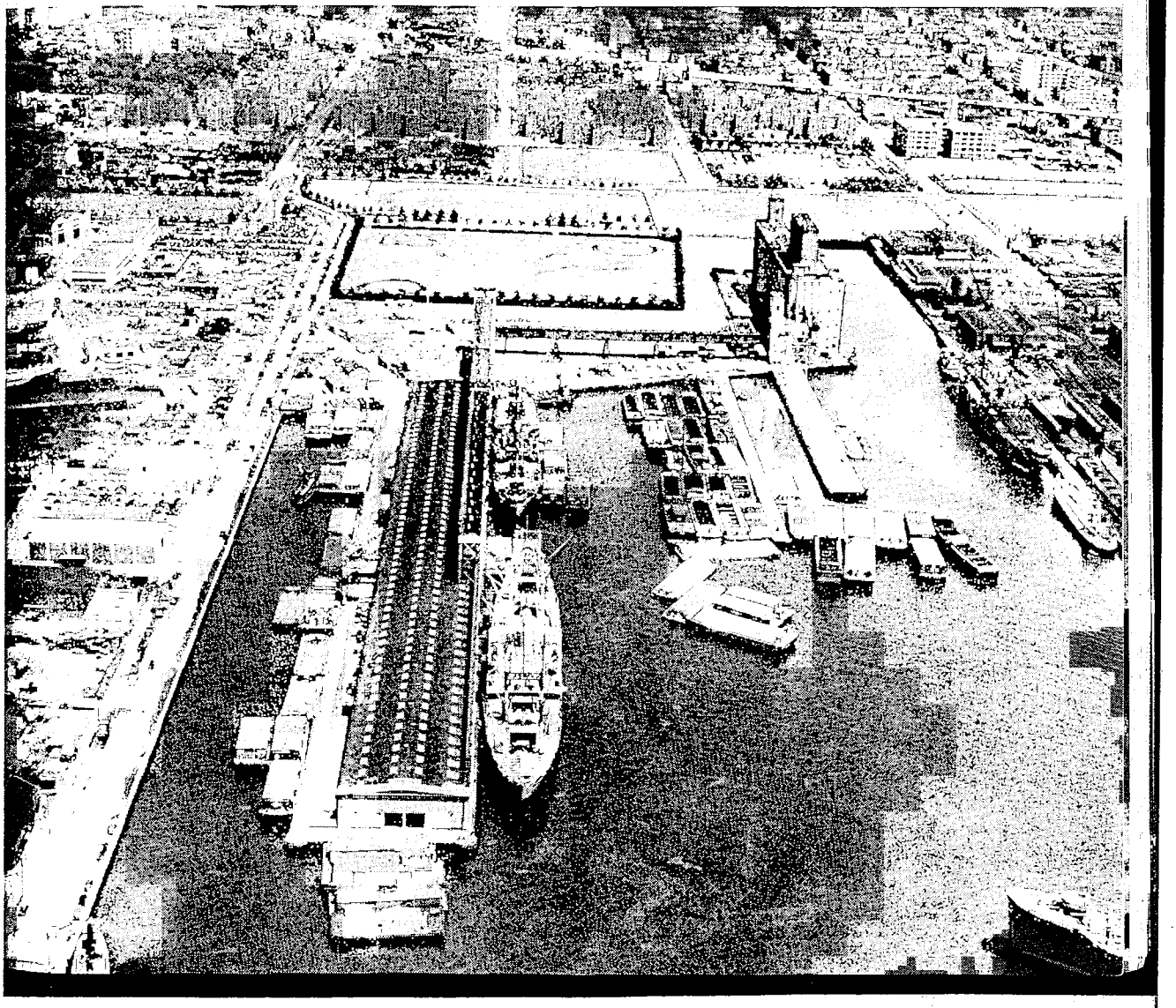
The Port Authority in March 1946 paid the State of New York $1,583,038.14 in full settlement of all obligations remaining unpaid at that time. This amount represented an unpaid balance of the original advance in the sum of $1,079,-440; an additional payment of $500,000 to cover the balance represented by the requirement for the ten $50,000 installments; and accrued interest of $3,598.14.

About 425,000 bushels of grain were handled at the elevator in 1946. With a storage capacity of about one-half the total available in the Port of New York, the terminal in 1945 had handled more than 2,400,000 bushels of grain, most of it wheat.



The Port Authority Grain Terminal on Gowanus Bay, Brooklyn, was transferred to the Authority by the State of New York on May 1, 1944. The 1,800,000-bushel elevator is being completely rehabilitated as one of the most important waterfront facilities in the Port of New York. Now operating on a self-supporting basis, the elevator's service will be greatly improved with the completion of the gallery located on the new 550-foot grain pier in the left foreground. This gallery will permit the delivery of grain from the elevator directly to ocean vessels alongside the pier.

The Port Authority's Columbia Street pier (in left foreground) is a part of its Grain Terminal property. At this pier, two steamship companies will be given preferential but not exclusive occupancy, and will be charged on a usage basis. The Port Authority reserves the right to assign berths to ships on a temporary basis when they are not occupied by companies holding permits.



In common with other grain terminals in the New York harbor, our elevator suffered a severe loss of grain-handling business during the year. This loss was due primarily to the fact that Federal Government War Emergency Program grain was routed through Baltimore and Philadelphia because of the differentially lower rail rates in effect at these two ports. In addition, grain arriving in New York harbor was usually exported immediately without being stored. Practically no wheat arrived in New York by way of the New York State Barge Canal for export during 1946.

The Gowanus elevator was at an additional, though temporary, disadvantage during the year because no gallery was available for direct loading of export grain to ships. The berths served by the old gallery extend alongside the Columbia Street pier. This pier was occupied by the hulk of the *Normandie,* moved there by the Navy under contract with the Todd Shipyards Corporation, which had a permit to use the pier. When our new grain gallery is completed, our present inability to handle full cargo lots of grain will be overcome by loading directly to ocean vessels.

The substructure of our new 550-foot grain pier was completed during the year, but steel for its gallery was not available. Even without the gallery, the pier, which is the only modern pier built in the New York harbor since the end of the war, was particularly helpful when berthing space became tight because of heavy export traffic. During the year, thirty ships were berthed at the new pier for refitting, taking on stores and the like, at a gross revenue of $88,500.

When the Todd Shipyards' permit for the Columbia Street pier expires on April 30, 1947, the Port Authority will intro-

duce into the New York harbor a new departure in pier rental and usage. Under a preferential but non-exclusive permit, certain steamship companies will have first call on the space. This arrangement will be subject to our right to assign berths to other ships on a temporary basis. Such assignment will be made when no occupancy is scheduled by the licensees for fourteen consecutive days. To assure maximum usage, the pier will be assigned to two separate steamship companies, one on the easterly side and one on the westerly side of the Columbia Street pier.

This permit arrangement is in line with the important policy for unification of terminal operations established under the 1921 Compact and the Comprehensive Plan of the Port Authority. It also follows the recommendations made by the special committee appointed by Governor Dewey in 1943 for the future operation of the Grain Terminal.

This system of pier usage is an innovation in New York harbor, but it has been successfully applied to public wharf facilities at New Orleans, San Francisco, Los Angeles and other leading ports. It will insure maximum utilization of space, and at the same time make the pier available to shipping lines on an economical usage basis rather than on a fixed and inflexible annual rental, irrespective of use. At the same time, the permittee shipping lines will be assured of an absolute option to berth at the pier. Only bona fide steamship operators will be permitted to apply for use of the pier, and selection will be made on the basis of ability to utilize it most economically. Charges for the preferential option will be established by tariff schedule as will the rates for ship dockage. These dockage charges will be based on

a fixed daily rate per gross ton of the ship and per revenue ton of cargo handled.*

Union Inland Terminal Registers Increased Volume

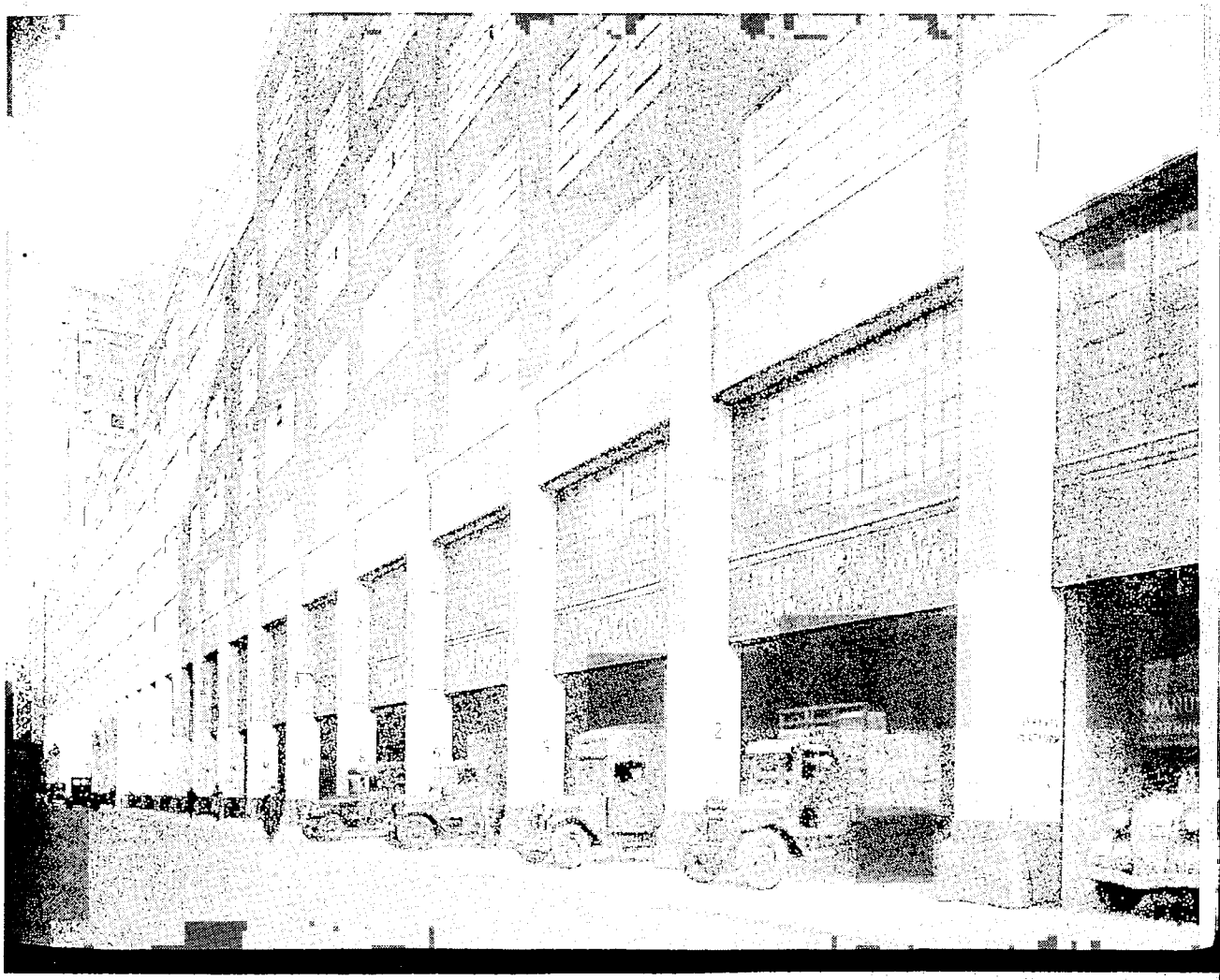
Our Union Inland Freight Station in 1946 enjoyed the highest level of business in its history. The freight station, located in the Port Authority Building, handled 385,500 tons of freight and express in 1946 as compared with 359,100 tons in the previous year, an increase of about 8 per cent. About 126,500 tons of less-than-carload freight were moved for shippers throughout the Port District by way of the eight trunkline railroads which are the tenant-operators of the terminal. This freight included 27,600 tons moved through the Port Authority Building for tenants. In addition, the Railway Express Agency moved some 259,000 tons through the basement level of the freight station.

During the year we made every attempt, with considerable success, to increase the use of our Inland Terminal. A number of large department stores and manufacturers instructed the railroads to deliver all of their l.c.l. shipments through this terminal. In addition, several large trucking companies began to use the station as a consolidation point for eastbound traffic arriving by way of the New York, New Haven and Hartford Railroad and destined for points in Pennsylvania.

---

* This plan was put into effect early in 1947. On January 3 the Port Authority announced that it would receive applications from steamship companies or their general agents. Seven applications were received and analyzed. Use of the two berths on the east side of the pier, which became available on January 16, was given to the Isthmian Line. Assignment of the two berths on the westerly side, which became available May 1, was given to the Fern Line.

The Port Authority's Union Inland Freight Station for less-than-carload rail freight handled its peak load in 1946. Use of this terminal, located in the Port Authority Building at Eighth Avenue and Fifteenth Street in Manhattan, reduces street congestion and delays at rail stations and steamship piers. Railroads pay only the nominal sum of ten cents a ton for the use of this "post office for rail freight."



The New York, New Haven and Hartford Railroad abandoned its East River Pier 38 in order to use the Inland Terminal for its l.c.l. freight. This was the first move by any railroad to achieve the original purpose of the terminal—the unification of railroad freight handling in the metropolitan area. We are discussing with other railroads the possibility of their taking similar action.

All railroads in the Trunkline Association and the Long Island Railroad have followed our suggestion to list this station in their tariffs under the designation "New York, New York." The New Haven Railroad has also cooperated by amending its waybilling instructions so that all deliveries to certain areas in Manhattan will be made through this terminal. We are continually urging railroads to concentrate their export l.c.l. shipments through this terminal in order to reduce congestion and delays at the rail stations and steamship piers.

The railroads pay only the nominal sum of ten cents a ton for the use of the terminal. It is therefore supported for the most part by rentals from the upper fourteen stories of the Port Authority Building. This $16,500,000 building, covering the entire Manhattan block from Fifteenth to Sixteenth Streets and from Eighth to Ninth Avenues, was completed in October 1932. For the fourth consecutive year, it enjoyed 100 per cent occupancy with rentals for 1946 aggregating $1,386,000, an increase of $36,000, or 2.7 per cent over the preceding year's total of $1,350,000. Demand continued brisk for the premises, as various business and light manufacturing firms sought the conveniences of the three-acre floors and high-speed package-freight and truck elevators, which have direct access to the freight terminal facilities.

It should be noted that the City of New York is saved harmless from tax losses under an agreement by which the Port Authority pays the City $60,064.10 a year. The agreement, which is based on legislation recommended by the Port Authority in 1931, allows the payment of the full amount of taxes received by the City from the land and buildings on the terminal site before it was acquired by the Port Authority.

Howard S. Cullman Is Re-elected Chairman, Joseph M. Byrne, Jr., Vice Chairman

The Commissioners of the Port Authority, by a unanimous vote at their annual meeting on January 2, 1946, re-elected for a second term as Chairman, Howard S. Cullman of New York City. At the same time, it unanimously re-elected as Vice Chairman, Joseph M. Byrne, Jr. of Newark, New Jersey.

Chairman Cullman, who served as Vice Chairman of the Port Authority for more than ten years previous to his elevation to the chairmanship in February 1945, was first appointed a Commissioner of the bi-state agency by the late Governor Alfred E. Smith in March 1927. He was reappointed by Governors Herbert H. Lehman and Thomas E. Dewey.

Vice Chairman Byrne was first appointed to the commission by Governor A. Harry Moore for a term beginning in July 1934. He was reappointed by Governors Moore and Walter E. Edge.

S. Sloan Colt Is Appointed a Commissioner

S. Sloan Colt of New York City, President of the Bankers Trust Company, was appointed a Commissioner of the Port Authority by Governor Dewey on April 10, 1946. Mr. Colt took the place of John J. Pulleyn, who, after eighteen years of service as a Commissioner, resigned on March 19 because of ill health. Mr. Pulleyn's term would have expired on July 1, 1950.

Commissioner Colt, who is well known for his many civic and philanthropic interests, began his career in banking in 1914 with the Farmers Loan and Trust Company. He was commissioned a Major in the first World War.

How the Commission and Staff Work

The twelve Commissioners of the board, six from each State, are appointed by the Governors of New York and New Jersey for overlapping terms of six years. They serve without compensation.

In the interest of administrative efficiency, matters requiring board action are originally handled by four committees which work in close contact with the four major departments of the Authority. These committees, namely, Port Planning, Construction, Finance and Operations, make recommendations to the full commission.

At the close of 1946 the committee assignments were:

PORT PLANNING
Frank J. Taylor, *Chairman*
Bayard F. Pope, *Vice Chairman*
Joseph M. Byrne, Jr.
Howard R. Cruse
Donald V. Lowe

CONSTRUCTION
Arthur Walsh, *Chairman*
Eugene F. Moran, *Vice Chairman*
Frank J. Taylor
Frank D. Abell
F. Palmer Armstrong

FINANCE
Charles S. Whitman, *Chairman*
Frank D. Abell, *Vice Chairman*
Bayard F. Pope
F. Palmer Armstrong
S. Sloan Colt

OPERATIONS
Joseph M. Byrne, Jr., *Chairman*
Donald V. Lowe, *Vice Chairman*
Arthur Walsh
Charles S. Whitman
Eugene F. Moran

The Chairman is ex officio a member of all committees. The Executive Director, Austin J. Tobin, is administrative

head of the Port Authority, and acts as chief liaison officer between the commission and the staff.

The four major departments of the Port Authority are the Department of Port Development, headed by Walter P. Hedden, Director; the Engineering Department, headed by J. C. Evans, Chief Engineer; the Department of Audit and Control, headed by David McKay, Acting Comptroller; and the Department of Operations, headed by Billings Wilson, Director.

Leander I. Shelley, General Counsel, advises the commission and the Executive Director on matters of law.

The Work of the Staff in 1946

No tribute could suffice to describe the loyalty and hard work of Port Authority employees during the past year. They carried the extraordinary load occasioned by our surveys of the Newark marine and air terminals and the New York City airports with a willingness and efficiency that have perhaps been unequalled in any government or private agency in the country. These great studies and proposals, together with preparations for the construction and operation of the truck terminals and bus terminal, called for the highest technical ability and the willingness to work at their assigned tasks to the very limit of their energies and physical abilities.

Many years ago a chairman of the Port Authority referred to our staff as "the best equipped staff of any public agency in the United States." Now the Commissioners, in this, their report to the two Governors, amend that description only to pay further tribute to the loyalty, enthusiasm and untiring efforts of the staff.

Broadened Scope of Port Authority Activities Results in Increased Personnel

At the end of 1946 there were 1,512 employees in the Port Authority service, an increase of 209 over the previous year. The increase in our traffic, and the recruitment of personnel to fill wartime vacancies, accounted for most of the new employees. The acceleration of our Port Development, Promotion and Rehabilitation programs, and the extraordinary work load carried by our Operations and Engineering departments in connection with the airport surveys, and the truck and bus terminal operational and engineering plans, required the addition of new personnel.

With the return of normal recruitment conditions, we hired permanent employees to replace such temporary wartime emergency personnel as female toll collectors, elevator operators and auxiliary traffic officers. All of these temporary employees contributed greatly toward the efficient operation of our facilities during the war, and wherever possible they were given permanent assignments. Those who left were granted a half-month's severance pay in recognition of their excellent service.

The recruitment and training of 141 new traffic officers, most of them veterans, to replace temporary policemen and to fill vacancies, were handled with outstanding efficiency by the Personnel, Operations and Medical departments.

Personnel Policies

The Port Authority, of course, is a government agency. But its management is frequently compared with that of an efficiently operated private corporation. Its personnel policies combine the best features of a government civil service system with those of private business. The Port Authority Commissioners have always recognized the necessity for holding the Authority's personnel standards at the highest possible level. They realize, too, that initiative, administrative skill and continuity of service are indispensable to good management in government as well as private business.

It is obvious that the absence of political interference in the selection of Port Authority personnel is of fundamental significance in the success of our operation. One of our general orders, of which all our employees are regularly put on notice, reads:

> "Merit, with due consideration being given seniority, shall govern advancement and promotion in the service of the Port Authority.
>
> "Preferential consideration will not be accorded any employee on account of political or other influence."

Vacancies in the Port Authority are filled from within the staff, except where special skills, experience or training are required which cannot be found among employees already in our service. Our clerical, police, stenographic and maintenance forces are recruited by examinations. They are promoted by examination through a system of classified grades on the basis of merit and efficiency.

It is the policy of the Port Authority Board to assure tenure of office. Employees are not discharged, demoted, or penalized except for cause and after a hearing. Port Authority employees are members of the New York State Retirement System. They have the benefit of sick leave privileges, periodic medical examinations and medical consultations. Their own employee associations represent them in negotiations with the management.

During the year, the Commissioners received an unusual number of tributes to the service rendered the public by the Port Authority staff. These tributes, as in the past years, came from Federal, State and local officials as well as various civic groups, individuals and the press. Our traffic officers were highly praised by users of our facilities at a time when our heaviest traffic load placed added responsibilities upon the men who operate our tunnels and bridges. We are exceedingly proud of the fact that 495 of our employees have been with the Port Authority for fifteen years or more, 665 for ten years or more, and 910 for at least five years.

The request of 500 of the Port Authority's 535 policemen for permission to participate in a twenty-five-year retirement plan under Section 68-B of the New York State Retirement Law, which applies to policemen and firemen of New York State municipalities, was approved by the board on December 12. The new Port Authority Police Retirement Plan is in line with that of New York City and other major municipalities. Previously, Port Authority police could retire on one-half pay after thirty-five years of service, or at the age of sixty, on a retirement allowance of 1/70 of the salary for each year of service.

Under the new plan, retirement will be compulsory after

twenty-five years of service, except in special cases authorized by the Authority. None of the policemen was eligible for twenty-five year, half-pay retirement at the time the plan was adopted. About 185 will be eligible over the period of the next six years.

The Port Authority will make the necessary deficiency payments involved in the new retirement plan, both as to its own share and the employee's share prior to January 1, 1947. These payments will amount to approximately $550,000. There will be an additional annual cost to the Port Authority of about $55,000 from January 1, 1947.

Port Authority Salaries Compare Favorably With Those Paid in the Port District for Similar Services

The Port Authority continued to maintain its policy of equal reward for equal work. Our salaries reflect equitable differences in the value of service performed. Our compensation plan for the graded service provides salary ranges for graded positions and periodic salary increases within the limits of the range. In general, the Port Authority attempts to assure its employees annual salaries which compare favorably with those paid in the Port District for similar services.

During the year 1946, in line with pay adjustments made by similar agencies and private businesses, the Port Authority increased the pay of its employees. The wartime pay adjustment plan, previously in effect, which provided for payment of 7 to 10 per cent on the first $4,000 of incomes of $6,000 or less, was abolished. In its place a cost-of-living increase was established in the amount of 20 per cent on the first

$200 per month of base pay rates, and 10 per cent on the next $200. In keeping with this formula, and based on a review of salary and performance record, individual adjustments were made on salaries above $400 per month.

Port Authority Medical Service

The Port Authority clinics at the Port Authority Building, the Holland Tunnel and the Lincoln Tunnel, served by our four physicians and three nurses, handled over 9,600 clinical visits during 1946. There were 1,900 pre-employment examinations, and 615 periodic examinations.

In July, a thousand traffic officer candidates were examined. The medical examination was held on a competitive basis and the results were included in the candidates' ratings. Out of the number examined, the best 300 were passed.

Port Authority Cafeteria Service

The Port Authority in 1943 established a cafeteria for the convenience of its employees in the Port Authority Building. In 1945 a similar cafeteria was opened at the Holland Tunnel. Both these facilities are located in an area where there is a scarcity of lunchrooms serving wholesome, nourishing food at reasonable prices.

Our experience has proved that our employee lunchrooms have contributed greatly to the health and efficiency of our workers, and have reduced absenteeism due to illness. Patronage of the Port Authority cafeterias saves the time of our

employees, permitting them greater opportunity for relaxation than if they were required to go outside for their lunches. An important benefit results from the opportunity afforded employees to know each other and the work of other employees and other departments.

In the past year we enlarged and improved the cafeteria in the Port Authority Building, where we served 68,698 employee luncheons at an average meal cost of 33 cents to our workers.

Our Holland Tunnel cafeteria proved to be of even greater convenience to our employees. In July we added a second meal service at the tunnel cafeteria to accommodate the night shift. During the year, we served 49,525 meals, at an average employee cost of 30 cents.

The Port Authority Awards Six Distinguished Service Medals

On May 2 the Chairman and Vice Chairman presented distinguished service medals to four of our traffic officers, to a senior electrician, and to our principal mail clerk, for distinguished service to the community and the Authority.

In his presentation address, the Chairman pointed out that it had been "a most difficult task to select six Port Authority employees above all others to receive special honors for their distinguished service." He attributed the success of our organization to the loyalty and efficiency of the staff and declared that the praise of the press in stories and editorials, commending our first twenty-five years of achievement, had actually reported on and complimented the staff. He said, in part:

"The reports of our achievements are not about an impersonal 'something' called The Port of New York Authority. They are about people working together and working hard in the interest of public service and for great personal satisfaction. In the last analysis, the Port Authority or any other enterprise, public or private, is simply the net sum of the cooperative efforts of a group of men and women. Our confidence in our continued progress in the next twenty-five years is based upon the belief that we will continue to have the services of the ablest, most enthusiastic and hardest-working group of employees in any public board in any part of the United States."

Traffic Officer William Veverka of Queens Village, New York, one of our four officers cited for distinguished service, has for twelve years been a member of the emergency garage crew. The duties of this crew have been particularly important and difficult during the period when breakdowns in the Holland and Lincoln Tunnels have increased because of inferior grades of gasoline and worn tires and motors.

Traffic Officer George Feuerbach of Manhattan, was honored for his eighteen years of faithful, competent public service of the highest standard.

Traffic Officer William J. Atkinson of the Bronx, received his award for many years of exceptional efficiency in the performance of his difficult key assignment in expediting the free flow of traffic at the New York entrance to the Holland Tunnel. Mr. Atkinson has been with the Port Authority for nineteen years.

Traffic Officer Harold Sheehan of Brooklyn, with the Port Authority for the past fifteen years, was decorated for his remarkable accuracy record of 99.93 per cent for almost 95,000 toll transactions during 1945, and for his conscientious efficiency in the performance of all of his duties.

Senior Electrician John S. Poole of Fort Lee, New Jersey, assigned to the George Washington Bridge, was cited for distinguished service throughout his fifteen years with the Authority.

Albert J. Lenz of Manhattan, with our organization for eighteen years, as the Authority's Principal Mail Clerk performed distinguished service faithfully and pleasantly, and with extraordinary efficiency. He carries one of the heaviest of the Authority's clerical responsibilities.

Port Authority Revenues at All-Time High

During 1946, the first full peacetime year, operating revenues from our bridges and tunnels reached an all-time high of $23,434,963, compared with $17,518,956 in 1945, an increase of $5,916,007, or 33.8 per cent. Revenues from the Port Authority Building and the Union Inland Freight Station were $1,577,572, from the Grain Terminal $217,265 and from other properties $261,544.

Financial Operations During 1946

On February 19, 1946, an issue of the Authority's Eleventh Series General and Refunding Bonds (first and second installments), dated March 1, 1946 and maturing March 1, 1986, aggregating $18,757,000 par value, and bearing a coupon rate of 1¼ per cent, was sold at 97.30 of par value, or an average interest cost to the Authority of 1.358 per cent. It is believed that this was the lowest rate ever received for any revenue bond with a maturity of forty years. The rate compared with our previous low long-term interest cost of 1.534 per cent on our Ninth Series General and Refunding Bonds, dated April 1, 1945, which bore a coupon rate of 1½ per cent and were sold at 99.15 of par value.

The proceeds of this issue covered the following items:

Payment to the State of New York for an advance on the account of the Port Authority Grain Terminal	$ 1,579,440
Capital improvements to the Port Authority Grain Terminal	306,234
Capital improvements in connection with the Holland Tunnel Exit Viaduct	2,351,741
Refunding outstanding Series H, 1 per cent Serial Notes	14,013,146
Total	$18,250,561

On May 13, 1946, we sold to the Chase National Bank of the City of New York and the National City Bank of New York $8,303,000 of our General Reserve Fund Notes, Series K, dated April 15, 1946. The notes were secured by and payable from our General Reserve Fund. They are due serially and bear interest as follows:

$2,800,000 due December 1, 1946, at ½% interest

$2,800,000 due December 1, 1947, at ¾% interest

$2,703,000 due December 1, 1948, at ¾% interest

The proceeds of the sale of the Series K Notes were applied to the repayment to the States of New Jersey and New York of $8,299,918.20 advanced to the Authority by the two States for preliminary studies and in aid of construction of the Outerbridge Crossing, the Goethals Bridge and the Bayonne Bridge. This repayment liquidated all of the subordinated liability of the Authority to the States on account

of advances for studies and construction costs except $74,-662.67 representing the unexpended balance of the $180,000 fund advanced by the State of New York in June 1944 for design plans and studies for the union bus terminal.

The sale of the above General and Refunding Bonds took place during a peak municipal market period. In the latter months of the year, the general municipal market suffered a sharp decline and we purchased $1,773,000 par value of our 2 per cent, 1½ per cent and 1¼ per cent General and Refunding Bonds at a cost to the Authority of $1,562,070.75. By retiring these bonds in advance of their mandatory call date, we effected a saving of $210,929.25 on principal alone.

Bonds and notes retired during the year from required Sinking Funds, maturities or purchases, amounted to $6,851,-000 par value. In addition, $14,000,000 par value of Series H, 1 per cent notes were refunded by the issuance of $14,013,146 of General and Refunding Bonds. Our funded debt at the close of the year was $189,329,000, as compared with $183,120,000 at the close of 1945.

Investment and Reserve Funds

Our investment portfolio in 1946 increased to $30,877,000, as compared with $26,175,000 in 1945. This figure does not include $9,400,000 of short-term investments of construction and other special purpose funds. Income on long-term investments in 1946 represented a return of 1.9 per cent.

Financial Summary

		1946		1945
GROSS OPERATING REVENUE				
—From Bridge and Tunnel Tolls:				
Passenger Cars	$15,725,286		$10,925,594	
Buses	2,359,486		2,087,234	
Trucks	5,338,667		4,499,902	
Motorcycles, etc.	11,524		6,226	
—From Rents, etc., P.A. Bldg.	1,577,572		1,568,267	
—From Grain Terminal (a)	217,265		.....	
—From Other Properties	261,544		257,253	
TOTAL		$25,491,344		$19,344,476
EXPENSES				
—For Operations, Maintenance and Administration		7,176,168		6,038,266
Net Operating Revenues		$18,315,176		$13,306,210
INTEREST EARNED (b)		184,610		167,626
TOTAL		$18,499,786		$13,473,836
INTEREST PAID TO BONDHOLDERS	$ 4,766,338		$ 4,873,087	
OBLIGATORY SINKING FUND PAYMENTS	2,403,024		2,338,872	
OBLIGATORY MATURITY PAYMENTS	2,800,000		800,000	
TOTAL		$ 9,969,362		$ 8,011,959
NET REVENUES AVAILABLE FOR APPROPRIATION IN ACCORDANCE WITH STATUTORY REQUIREMENTS AND AGREEMENTS WITH BONDHOLDERS		$ 8,530,424		$ 5,461,877
THE NET REVENUES WERE DISTRIBUTED:				
—To General Reserve		$ 3,508,216		$ 3,536,877
—To Special Reserve		5,022,208		.....
—To Property Additions		.....		1,000,000
—To Restoration and Improvement Reserve		.....		925,000
TOTAL		$ 8,530,424		$ 5,461,877

(a) Ten Months.

(b) Excludes interest income and profits from security sales allocated directly to reserve funds as follows: 1946 — $479,570; 1945 — $870,610.

Accountants' Report

AKRON
ATLANTA
BALTIMORE
BIRMINGHAM
BOSTON
BUFFALO
CANTON
CHICAGO
CINCINNATI
CLEVELAND
COLUMBUS
DALLAS
DAYTON
DENVER
DETROIT
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
19 RECTOR STREET
TELEPHONE: DIGBY 4-5240
DELIVERY ZONE 6

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, New York.

We have examined the balance sheet of THE PORT OF NEW YORK AUTHORITY as of December 31, 1946 and its statements of net revenues, reserves and equity accounts for the year then ended, have reviewed the system of internal control and the accounting procedures of the Authority and, without making a detailed audit of transactions, have examined or tested accounting records of the Authority and other supporting evidence, by methods and to the extent we deemed appropriate. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included all procedures which we considered necessary.

In our opinion, the accompanying balance sheet and related statements of net revenues, reserves and equity accounts present fairly the position of THE PORT OF NEW YORK AUTHORITY at December 31, 1946 and its revenues and expenditures for the year then ended, on the basis of accounting principles set forth in Note 1 to the financial statements.

Ernst & Ernst

New York, N. Y.
February 15, 1947.

Balance

CAPITAL ACCOUNTS		
Investment in facilities—at cost (Note 1)		$239,890,679.88
Construction in progress		2,473,198.69
Assets held for additional construction (Note 7):		
Cash in bank	$ 370,058.87	
U. S. Government securities (Schedule A)	9,020,587.54	
Accrued interest receivable	6,962.06	
Deposits on condemnation proceedings	135,500.00	
Miscellaneous other assets	18,775.95	9,551,884.42
		$251,915,762.99
SINKING FUND ASSETS		
Cash in banks		$ 1,710,963.36
U. S. Government securities (Schedule A)		700,122.58
Accrued interest receivable		1,531.26
		$ 2,412,617.20
GENERAL RESERVE FUND ASSETS		
Cash in bank		$ 192,183.47
U. S. Government securities (Schedule A)		18,540,351.49
The Port of New York Authority bonds (Schedule A)		240,706.25
Accrued interest receivable		99,169.34
		$ 19,072,410.55
SPECIAL RESERVE FUND ASSETS		
Cash in bank		$ 2,850.64
U. S. Government securities (Schedule A)		5,019,357.64
		$ 5,022,208.28
EMPLOYEES' RETIREMENT FUND ASSETS		
Cash in bank		$ 68,235.74
U. S. Government securities (Schedule A)		3,557,455.90
Accrued interest receivable		8,684.40
		$ 3,634,376.04
INSURANCE FUND ASSETS		
Cash in bank		$ 24,190.86
U. S. Government securities (Schedule A)		1,974,775.21
Mortgage receivable		167,200.00
Accrued interest receivable		7,649.83
		$ 2,173,815.90
OTHER ASSETS		
Cash on hand and in banks		$ 1,348,111.31
U. S. Government securities (Schedule A)		2,326,832.33
Accounts receivable		120,435.90
Accrued interest receivable		63,578.35
Other assets		2,659.64
Prepaid insurance		493,551.79
		$ 4,355,169.32

See notes on

Sheet . . .

DECEMBER 31, 1946

Capital Accounts		
Funded debt (Notes 3 and 4) (Schedule B)		$189,329,000.00
Advance from State of New York (Note 5)		74,662.67
Accrued interest on Terminal Bonds, Series J		32,812.50
Liability in lieu of taxes (Note 1)		11,958.30
Accounts payable		3,607.60
Equity accounts:		
Debt retired through income	$62,052,816.86	
Contributed by federal and state agencies in aid of construction	10,860,411.85	
Appropriated income invested in facilities	2,841,633.02	
Appropriated income to be invested in facilities	1,311,400.85	
	$77,066,262.58	
Less cost of refunding and consolidating debt (Note 1)	14,602,540.66	62,463,721.92
		$251,915,762.99
Sinking Fund Reserves		
Applicable to General and Refunding Bonds:		
Fourth Series		$ 1,582,142.16
Fifth Series		830,475.04
		$ 2,412,617.20
General Reserve and Liabilities		
General reserve under Section 10 of Basic Resolution		$ 18,932,900.00
Accounts payable		139,510.55
		$ 19,072,410.55
Special Reserve		
Special reserve under Section 9 of Basic Resolution		$ 5,022,208.28
		$ 5,022,208.28
Employees' Retirement Reserve and Liabilities (Note 1)		
Estimated for prior service	$ 2,706,360.06	
Estimated for special monthly allowances	459,776.93	
Provision for police retirement plan	467,111.77	$ 3,633,248.76
Accounts payable		1,127.28
		$ 3,634,376.04
Insurance Reserve and Liabilities (Note 1)		
Reserve for uninsured risks		$ 2,160,644.14
Claims payable		13,171.76
		$ 2,173,815.90
Other Reserves and Liabilities		
Reserve for restoration and improvement (Note 1)		$ 2,312,671.62
Current liabilities and deferred income:		
Unredeemed bonds and interest coupons	$ 819,252.50	
Less amounts on deposit with paying agents	784,355.00	
	$ 34,897.50	
Accounts payable	298,227.91	
Accrued interest on funded debt	984,393.34	
Accrued liability for employees' retirement	403,686.59	
Liability in lieu of taxes (Note 1)	30,064.10	
Deferred income from unredeemed tickets, etc.	291,228.26	2,042,497.70
		$ 4,355,169.32
Contingent Liabilities and Construction Commitments (Note 2)		

following pages.

THE PORT OF NEW YORK AUTHORITY

Statement of Net Revenues for the Year Ended December 31, 1946

GROSS OPERATING REVENUES:				
From bridge and tunnel vehicular tolls				$23,434,963.62
From Port Authority Building:				
Rentals from tenants			$1,291,666.67	
Rentals from The Port of New York Authority			93,974.96	
Building services sold			191,930.19	1,577,571.82
From Port Authority Grain Terminal:				
Rental of piers			$ 209,260.03	
Elevator services sold			8,004.77	217,264.80
From properties adjacent to facilities, etc.				261,544.24
				$25,491,344.48
DEDUCTIONS:				
Operating expenses			$6,246,168.21	
Provision for employees' retirement (Note 1)			930,000.00	7,176,168.21
NET OPERATING REVENUES				$18,315,176.27
OTHER INCOME:				
Interest on investments (less amortization of purchase premium)		$ 661,510.48		
Interest on bank deposits		2,669.40	$ 664,179.88	
Less interest income allocated directly to restricted funds and investment in facilities:				
Sinking funds for General and Refunding Bonds		$ 5,084.35		
General reserve fund		313,460.96		
Employees' retirement fund		66,996.66		
Insurance fund		46,627.59		
Investment in facilities		47,400.62	479,570.18	184,609.70
				$18,499,785.97
OTHER DEDUCTIONS:				
Interest on funded debt (Note 1)		$4,901,711.34		
Less amounts charged to:				
Construction in progress	$131,250.00			
Cost of refunding and consolidating debt	4,123.61	135,373.61	$4,766,337.73	
Obligatory payments to sinking funds:				
General and Refunding Bonds:				
Fourth Series		$1,575,985.44		
Fifth Series		827,038.48	2,403,023.92	
Obligatory redemption of General Reserve Fund, Series K, Serial Notes			2,800,000.00	9,969,361.65
NET REVENUES AVAILABLE FOR APPROPRIATIONS IN ACCORDANCE WITH STATUTORY REQUIREMENTS AND AGREEMENTS WITH BONDHOLDERS				$ 8,530,424.32
DISPOSITION OF NET REVENUES AS REQUIRED BY BASIC RESOLUTION:				
To general reserve				$ 3,508,216.04
To special reserve				5,022,208.28
				$ 8,530,424.32

See notes on following pages.

THE PORT OF NEW YORK AUTHORITY

Statement of Reserves for the Year Ended December 31, 1946

	Sinking Fund Reserves	General Reserve	Special Reserve	Employees' Retirement Reserve	Insurance Reserve	Restoration and Improvement Reserve
BALANCES at January 1, 1946	$2,343,608.93	$16,673,293.75	$ —	$2,736,261.07	$2,157,095.21	$3,216,883.04
ADD:						
Income from investments credited to reserves	5,084.35	313,460.96	—	66,996.66	46,627.59	—
Obligatory payments to sinking funds	2,403,023.92	—	—	—	—	—
General and Refunding Bonds, held in general reserve fund, transferred to sinking funds for retirement in anticipation of future obligatory requirements (at cost—see contra below)	1,562,070.75	—	—	—	—	—
Increase of cost of General and Refunding Bonds transferred to sinking funds to 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 the Basic Resolution, adopted on March 18, 1935	232,459.25	—	—	—	—	—
Provision for employees' retirement (Note 1)	—	—	—	930,000.00	—	—
Disposition of net revenues for the year	—	3,508,216.04	5,022,208.28	—	—	—
TOTAL ADDITIONS TO RESERVES FOR THE YEAR	$4,202,638.27	$ 3,821,677.00	$5,022,208.28	$ 996,996.66	$ 46,627.59	$ —
	$6,546,247.20	$20,494,970.75	$5,022,208.28	$3,733,257.73	$2,203,722.80	$3,216,883.04
DEDUCT:						
Payments made from sinking funds for redemption of General and Refunding Bonds:						
Fourth Series:						
Principal amount of bonds redeemed	1,501,000.00	—	—	—	—	—
Premium on bonds called	30,020.00	—	—	—	—	—
Fifth Series:						
Principal amount of bonds redeemed	777,000.00	—	—	—	—	—
Premium on bonds called	31,080.00	—	—	—	—	—
General and Refunding Bonds transferred to sinking funds (at cost—see contra above)	—	1,562,070.75	—	—	—	—
Retirement of General and Refunding Bonds in anticipation of future obligatory sinking fund requirements:						
Eighth Series:						
Principal amount of bonds retired (cost $188,131.25)	190,000.00	—	—	—	—	—
Adjustment equal to premium included above	5,700.00	—	—	—	—	—
Ninth Series:						
Principal amount of bonds retired (cost $126,452.50)	137,000.00	—	—	—	—	—
Adjustment equal to premium included above	1,370.00	—	—	—	—	—
Eleventh Series:						
Principal amount of bonds retired (cost $1,247,487.00)	1,446,000.00	—	—	—	—	—
Adjustment equal to premium included above	14,460.00	—	—	—	—	—
Payment to New York State Employees' Retirement System applicable to the nine months ended March 31, 1945 (Note 1)	—	—	—	87,718.19	—	—
Payments to retired employees of special monthly allowances (Note 1)	—	—	—	12,290.78	—	—
Claims entered and awards made in connection with uninsured risks (Note 1)	—	—	—	—	43,078.66	—
Expenditures made in connection with the restoration and improvement program (Note 1)	—	—	—	—	—	904,211.42
TOTAL DEDUCTIONS FROM RESERVES FOR THE YEAR	$4,133,630.00	$ 1,562,070.75	$ —	$ 100,008.97	$ 43,078.66	$ 904,211.42
BALANCES at December 31, 1946	$2,412,617.20	$18,932,900.00	$5,022,208.28	$3,633,248.76	$2,160,644.14	$2,312,671.62

See notes on following pages.

THE PORT OF NEW YORK AUTHORITY

Statement of Equity Accounts for the Year Ended December 31, 1946

	Debt Retired Through Income	Contributed by Federal and State Agencies in Aid of Construction	Appropriated Income Invested in Facilities	Appropriated Income to be Invested in Facilities	Less Cost of Refunding and Consolidating Debt (Note 1)	Total
BALANCES at January 1, 1946 (Note 8)	$55,131,256.86	$10,860,411.85	$2,526,108.10	$1,453,380.23	$14,197,458.86	$55,773,698.18
ADDITIONS for the year:						
Principal amount of debt retired through payments made from sinking funds for redemption of General and Refunding Bonds:						
Fourth Series	1,501,000.00	—	—	—	—	1,501,000.00
Fifth Series	777,000.00	—	—	—	—	777,000.00
Principal amount of General and Refunding Bonds purchased in open market and retired in anticipation of future obligatory sinking fund requirements (see entries under sinking fund reserves):						
Eighth Series	190,000.00	—	—	—	—	190,000.00
Ninth Series	137,000.00	—	—	—	—	137,000.00
Eleventh Series	1,446,000.00	—	—	—	—	1,446,000.00
Principal amount of General Reserve Fund, Series K, Serial Notes retired through payments from revenues for redemption at maturity	2,800,000.00	—	—	—	—	2,800,000.00
Equity acquired through the merging of assets and liabilities of the Pier Development Fund with those of The Port of New York Authority (Note 6)	70,560.00	—	173,545.54	—	—	244,105.54
Expenditures for construction made from appropriated income transferred	—	—	141,979.38	141,979.38*		
Discount on sale of that portion of General and Refunding, Eleventh Series, 1¼% Bonds, due 1986, applicable to refunding (Note 4)	—	—	—	—	388,854.00	388,854.00*
Legal services, printing of bonds, etc., relative to the sale of that portion of General and Refunding, Eleventh Series, 1¼% Bonds, due 1986, applicable to refunding (Note 4)	—	—	—	—	11,899.14	11,899.14*
Legal services, printing of bonds, etc., relative to the sale of General Reserve Fund Notes, Series K (Note 3)	—	—	—	—	1,760.60	1,760.60*
Portion of interest on General Reserve Fund Notes, Series K, paid from the unused residue of the proceeds of such notes and of General and Refunding, Eleventh Series, 1¼% Bonds, due 1986	—	—	—	—	2,568.06	2,568.06*
BALANCES at December 31, 1946	$62,052,816.86	$10,860,411.85	$2,841,633.02	$1,311,400.85	$14,602,540.66	$62,463,721.92

*Asterisk indicates deduction.

See notes on following pages.

THE PORT OF NEW YORK AUTHORITY

NOTES TO FINANCIAL STATEMENTS

December 31, 1946

Note 1—STATEMENT OF ACCOUNTING PRINCIPLES

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 revenue or other cash received must be disbursed for specific purposes in accordance with provisions of various statutes and agreements with holders of its bonds. The accounting principles outlined in paragraphs following, which have been consistently applied, are based on the Authority's interpretation of such statutes and agreements, and on resolutions of the Commissioners.

No deduction from revenue has been made for depreciation of facilities, nor has a reserve for depreciation been established. However, deductions are made from revenue for payments to sinking funds as required, and for expenditures to maintain in good condition all facilities, the net revenues of which are pledged as security for General and Refunding Bonds.

There have been charged to investment in facilities:

(a) the net discount and expense in connection with bonds and notes issued for construction purposes; no provision has been made for amortization of such discount and expense; (b) interest expense on such bonds and notes during the period of construction (less income earned on unexpended construction funds); and, (c) certain interest expense applicable to periods subsequent to the dates of official opening of the respective facilities. The amounts of the above items included an investment in facilities at December 31, 1946, and the amounts added during the year ended at that date follow:

Item	Included in Facility Costs at December 31, 1946	Added to Facility Costs During the Year Ended December 31, 1946
(a) Net discount and expense	$ 3,924,778.77	$120,713.12
(b) Interest during construction	16,682,244.69	83,849.38
(c) Interest subsequent to opening	1,879,829.47	—
Total	$22,486,852.93	$204,562.50

In the opinion of its General Counsel, the Authority is not subject to either Federal, State or local taxes. The Authority, however, is authorized by law to enter into voluntary agreements to pay a fair annual sum in lieu of taxes in connection with its marine and inland terminals; full provision has been made at December 31, 1946 for payments under such agreements then in effect.

The employees' retirement reserve was established in 1941 to provide from current and subsequent revenues an amount, which, when increased by the earnings of the corresponding fund, would be sufficient to meet the annual payments to 1966 required by contract with the New York State Employees' Retirement System for employee services prior to membership in the System. On December 31, 1945, the amount thus set aside was considered to be adequate to provide for the entire obligation. However, for the period of six months ended June 30, 1946, an amount of $465,000 was set aside from revenue in order to provide for the estimated amount necessary to pay special monthly allowances to certain retired employees whose pensions were considered less than adequate; and for the period of six months ended December 31, 1946, an additional provision of $465,000 was set aside from revenue toward meeting the additional annual payments required for prior service under the twenty-five year retirement plan adopted for Authority policemen.

The insurance reserve was established in 1941 by an appropriation from the General Reserve, and subsequently increased by charges against revenue (which charges were discontinued as of July 1, 1945), in order to provide a fund the earnings of which are estimated to be sufficient to pay for losses not covered by policies with outside insurers. In the opinion of the General Claim Agent of the Authority, the insurance reserve at December 31, 1946, was adequate.

The restoration and improvement reserve was established in 1943 to provide from current and subsequent revenues moneys with which to pay in part the cost of a projected modernization and rehabilitation program. The program, as revised at December 31, 1946, contemplates total expenditures of $3,757,655.21. To cover such contemplated expenditures the amount of $3,725,000 was appropriated from revenues prior to January 1,

Note 1—STATEMENT OF ACCOUNTING PRINCIPLES—Continued

1946, and the Commissioners have authorized expenditures of $2,493,947.44 from the amount appropriated, for specific projects, of which the amount of $1,412,328.38 had been expended at December 31, 1946.

The cost to December 31, 1946 of refunding and consolidating debt, consisting of call premiums, interest payments and other expenses, amounted to $14,602,540.66, including $405,081.80 incurred during the year ended at that date. Inasmuch as these costs were paid from proceeds of various bond issues as authorized by resolutions of the Commissioners, the amount thereof has been deducted from equity accounts instead of being deferred and amortized over subsequent accounting periods.

Note 2:

Contingent liabilities and construction commitments at December 31, 1946, were as follows:

(a) Construction contracts awarded, less payments made and liabilities recorded to cover work performed to and including December 31, 1946	$ 675,334
(b) Contingent liabilities relative to acquisition of certain easements, payable if and when the owners of the properties elect to have certain construction work performed—not to exceed	558,000
(c) Costs that may be incurred in connection with proposed construction by The City of New York of a protective pier over the Lincoln Tunnel, estimated, when the commitment was first assumed, at	600,000
(d) Commitment for the construction of the 179th Street Tunnel in connection with the George Washington Bridge, which, under agreements with The City of New York, the Authority is obligated to build when traffic through the 178th Street Tunnel exceeds six million vehicles in a twelve-month period. This commitment was originally estimated to be $3,100,000, but by a recent revision thereof, reflecting changed designs and economic conditions, the amount was adjusted to	7,403,000
	$9,236,334

Note 3:

As of April 15, 1946, $8,303,000 principal amount of negotiable notes of the Authority, entitled General Reserve Fund, Series K, ½% and ¾% Serial Notes, due 1946-1948, were issued for the purpose of providing moneys to repay the advances made by the States of New York and New Jersey for preliminary studies and in aid of the construction of the Arthur Kill and Bayonne Bridges. These advances were repaid with the proceeds of such notes in accordance with Chapter 352 of the Laws of New York, 1946, and Chapter 54 of the Laws of New Jersey, 1946. On December 1, 1946, $2,800,000 principal amount of Series K, ½% Serial Notes were redeemed and canceled, leaving $5,503,000 of ¾% Serial Notes outstanding (Schedule B).

Note 4:

On March 1, 1946, $18,757,000 principal amount of General and Refunding, Eleventh Series, 1¼% Bonds, due 1986, were issued and the proceeds thereof were allocated to:

Refunding of General Reserve Fund Series H 1% Notes	$14,013,146
Payment to the State of New York required under Chapter 410 of the Laws of New York, 1944, in connection with the acquisition of the Port Authority Grain Terminal	1,581,125
Construction of new pier at Port Authority Grain Terminal	304,549
Holland Tunnel Viaduct construction fund	2,351,741
	$18,250,561

The discount and expenses of the above bond issue were charged as follows:

	Discount on Sale of Bonds	Legal Services, Printing of Bonds, Etc.
To facility costs	$117,585.00	$ 3,128.12
To cost of refunding and consolidating debt	388,854.00	11,899.14
	$506,439.00	$15,027.26

Note 5:

During June 1946, the Authority returned to the Comptroller of the State of New York the amount of $105,337.33 representing the unexpended balance of $180,000.00 advanced to the Authority by New York State Postwar Public Works Planning Commission, for detailed plans and specifications for a bus terminal

Note 5—Continued

to be constructed in the vicinity of the Manhattan portal of the Lincoln Tunnel. The amount of $74,662.67, representing the expended portion of the advance, is shown in the balance sheet at December 31, 1946, as a liability with a corresponding amount included under investment in facilities. In the opinion of its General Counsel, the Authority is not required to repay this amount unless and until it issues bonds to finance construction of the terminal.

Note 6:

In accordance with Chapter 410 of the Laws of New York, 1944, creating The Pier Development Fund, the Authority paid to the Comptroller of the State of New York in March 1946, the amount of $1,583,038.14, in full settlement of the obligation assumed in the acquisition of the Gowanus Bay Terminal. The amount so paid represented the following:

Unpaid balance of original advance from the State of New York	$1,079,440.00
Additional payment required by the statute referred to above	500,000.00
Interest on advance accrued from January 1, 1946 to February 28, 1946	3,598.14
	$1,583,038.14

As of February 28, 1946, the assets and liabilities remaining in The Pier Development Fund, as set forth in Schedule C, were merged with similar assets and liabilities of the Authority, and the net amount thereof, less the amount of $70,560.00 previously repaid to the State of New York, was added to appropriated income invested in facilities.

For the period beginning March 1, 1946 all operating revenues and expenses of The Pier Development Fund were combined with those of the Authority, whereas prior to that date net revenues were stated separately in accordance with the terms of the statute referred to above. The results of operations for the period of two months ended February 28, 1946, are shown in Schedule D.

Note 7:

At December 31, 1946 assets held for construction were allocated to the following projects:

(a) Completion of the North Tube of the Lincoln Tunnel	$1,312,484.85
(b) Construction of Union Motor Truck Terminals	5,148,730.99
(c) Construction of Holland Tunnel Viaduct	2,297,752.54
(d) Capital improvements to the Grain Terminal	719,879.40
(e) Net proceeds from sale of miscellaneous equipment not allocated	73,036.64
	$9,551,884.42

Note 8:

As of June 30, 1946, the Authority adopted new forms of financial statements to set forth the status of its funds and the relationship between the assets and liabilities and reserves. As a basis for comparison with previous statements the balance sheet at December 31, 1945, is submitted in the new form, Schedule E. Items comprising the amount of $44,913,286.33, previously described as "reserves applied to retirement of debt, payment of debt service, etc. (including appropriations for construction), less deficit accounts of certain facilities and debt refunding expenses," are reclassified as follows:

Equity accounts:

Debt retired through income	$55,131,256.86
Appropriated income invested in facilities	2,526,108.10
Appropriated income to be invested in facilities	1,453,380.23
	$59,110,745.19
Less cost of refunding and consolidating debt (Note 1)	14,197,458.86
	$44,913,286.33

SCHEDULE A

THE PORT OF NEW YORK AUTHORITY

Investments in Securities

December 31, 1946

	Principal Amount	Cost	Quoted Market Value
U. S. GOVERNMENT SECURITIES			
ASSETS HELD FOR ADDITIONAL CONSTRUCTION			
U. S. Treasury Certificates of Indebtedness, ⅞%, due January 1, 1947	$ 150,000.00	$ 150,000.00	$ 150,000.00
U. S. Treasury Certificates of Indebtedness, ⅞%, due February 1, 1947	350,000.00	350,166.58	350,022.62
U. S. Treasury Certificates of Indebtedness, ⅞%, due June 1, 1947	347,000.00	347,000.00	347,048.60
U. S. Treasury Certificates of Indebtedness, ⅞%, due July 1, 1947	372,000.00	372,000.00	372,064.04
U. S. Treasury Certificates of Indebtedness, ⅞%, due September 1, 1947	224,000.00	224,000.00	224,033.05
U. S. Treasury Certificates of Indebtedness, ⅞%, due October 1, 1947	440,000.00	440,000.00	440,074.94
U. S. Treasury Certificates of Indebtedness, ⅞%, due November 1, 1947	383,000.00	383,000.00	383,043.11
U. S. Treasury Certificates of Indebtedness, ⅞%, due December 1, 1947	5,100,000.00	5,100,000.00	5,100,659.12
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56	1,600,000.00	1,654,420.96 (Note 1)	1,683,500.00
	$ 8,966,000.00	$ 9,020,587.54	$ 9,050,445.48
SINKING FUND ASSETS			
U. S. Treasury Certificates of Indebtedness, ⅞%, due April 1, 1947	$ 700,000.00	$ 700,122.58	$ 700,123.63
GENERAL RESERVE FUND ASSETS			
U. S. Treasury Bonds, 2%, due December 15, 1954-52	$ 1,500,000.00	$ 1,503,344.51 (Note 1)	$ 1,543,593.75
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56	16,510,000.00	17,037,006.98 (Note 1)	17,371,615.63
	$18,010,000.00	$18,540,351.49	$18,915,209.38
SPECIAL RESERVE FUND ASSETS			
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56	$ 4,830,000.00	$ 5,019,357.64 (Note 1)	$ 5,082,065.63
EMPLOYEES' RETIREMENT FUND ASSETS			
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56	$ 790,000.00	$ 812,293.85 (Note 1)	$ 831,228.13
U. S. Treasury Bonds, 2¼%, due June 15, 1962-59	650,000.00	650,000.00	664,218.75
U. S. Treasury Bonds, 2½%, due December 15, 1968-63	420,000.00	442,820.92 (Note 1)	439,031.25
U. S. Treasury Bonds, 2½%, due December 15, 1969-64	725,000.00	735,861.39 (Note 1)	754,679.69
U. S. Treasury Bonds, 2½%, due June 15, 1972-67	700,000.00	716,479.74 (Note 1)	719,906.25
U. S. Treasury Savings Bonds, 2½% Series G, due June 1, 1957	100,000.00	100,000.00	96,900.00
U. S. Treasury Savings Bonds, 2½% Series G, due March 1, 1958	100,000.00	100,000.00	98,800.00
	$ 3,485,000.00	$ 3,557,455.90	$ 3,604,764.07

SCHEDULE A—Continued

U. S. GOVERNMENT SECURITIES—Continued

INSURANCE FUND ASSETS	Principal Amount	Cost		Quoted Market Value
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56	$ 800,000.00	$ 824,387.03	(Note 1)	$ 841,750.00
U. S. Treasury Bonds, 2½%, due December 15, 1969-64	50,000.00	50,926.90	(Note 1)	52,046.88
U. S. Treasury Bonds, 2½%, due June 15, 1972-67	1,050,000.00	1,099,461.28	(Note 1)	1,079,859.38
	$ 1,900,000.00	$ 1,974,775.21		$ 1,973,656.26
OTHER ASSETS				
U. S. Treasury Certificate of Indebtedness, ⅞%, due March 1, 1947	$ 1,334,000.00	$ 1,334,939.57		$ 1,334,152.30
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56	370,000.00	384,505.67	(Note 1)	389,309.38
U. S. Treasury Bonds, 2½%, due December 15, 1968-63	330,000.00	347,930.71	(Note 1)	344,953.13
U. S. Treasury Bonds, 2½%, due June 15, 1972-67	250,000.00	259,456.38	(Note 1)	257,109.38
	$ 2,284,000.00	$ 2,326,832.33		$ 2,325,524.19
THE PORT OF NEW YORK AUTHORITY BONDS				
GENERAL RESERVE FUND ASSETS				
Terminal Bonds, Series J, 1¾%, due 1985	$ 77,000.00	$ 75,468.75		$ 75,460.00
General and Refunding Bonds, Seventh Series, 2¾%, due 1973	25,000.00	26,375.00		26,250.00
General and Refunding Bonds, Ninth Series, 1½%, due 1985	60,000.00	55,612.50	(Note 2)	55,500.00
General and Refunding Bonds, Eleventh Series, 1¼%, due 1986	100,000.00	83,250.00	(Note 2)	82,500.00
	$ 262,000.00	$ 240,706.25		$ 239,710.00

Note 1—Amortized cost.

Note 2—Undelivered at December 31, 1946.

SCHEDULE B

THE PORT OF NEW YORK AUTHORITY

Funded Debt

December 31, 1946

	Amount Authorized and Outstanding December 31, 1946
GENERAL RESERVE FUND, SERIES K, ¾% SERIAL NOTES, DUE 1947-1948 ($2,800,000 due December 1, 1947)	$ 5,503,000.00
TERMINAL BONDS, SERIES J, 1¾%, DUE 1985 (Note 1)	7,500,000.00
GENERAL AND REFUNDING BONDS (Note 2):	
Fourth Series, 3%, due 1976 (Note 3)	73,508,000.00
Fifth Series, 3¼%, due 1977 (Note 3)	41,882,000.00
Seventh Series, 2¾%, due 1973	14,281,000.00
Eighth Series, 2%, due 1974	17,481,000.00
Ninth Series, 1½%, due 1985	11,863.000.00
Eleventh Series, 1¼%, due 1986	17,311,000.00
	$189,329,000.00

Note 1—During 1945 the Authority established its General Refunding Bonds, Tenth Series, 1¾%, due 1985, which are to be issued in exchange for its Terminal Bonds, Series J, 1¾%, due 1985, in accordance with the agreement with the holders of these bonds. On December 31, 1946, there was on deposit with the Trustee $7,500,000 principal amount of these Tenth Series Bonds in temporary certificate form. These temporary certificates are to be replaced by the definitive bonds which will eventually be issued in exchange for the Terminal Series J Bonds.

Note 2—During 1946, $22,552,000 principal amount of New York-New Jersey Interstate Bridge Bonds, the remainder of these bonds outstanding, held by a trustee as collateral to the General and Refunding Bonds, were canceled and cremated in accordance with the resolution of the Committee on Finance, dated June 27, 1946.

Note 3—Sinking fund payments due within one year from December 31, 1946, are as follows:

General and Refunding Bonds, Fourth Series	$1,623,176.53
General and Refunding Bonds, Fifth Series	853,853.86
	$2,477,030.39

SCHEDULE C

THE PORT OF NEW YORK AUTHORITY

Pier Development Fund (Note 6)

Balance Sheet

February 28, 1946

ASSETS			
CURRENT ASSETS			
Cash in banks and on hand		$ 119,139.35	
U. S. Treasury Bonds, 2¼%, due September 15, 1959-56, at cost ($300,000.00 principal amount)		310,687.50	
Receivables:			
Accounts receivable	$22,769.93		
Accrued storage charges receivable	2,008,44		
Accrued interest receivable	3,093.75	27,872.12	$ 457,698.97
PREPAID EXPENSES			
Prepaid insurance		$ 37,219.98	
Prepaid salaries and wages		182.33	
Payments in lieu of vacations deferred		1,805.78	39,208.09
EXPENDITURES FOR REHABILITATION OF PIER PROPERTIES			839,793.36
			$1,336,700.42
LIABILITIES AND SURPLUS			
CURRENT LIABILITIES			
Accrued interest on advance from State of New York		$ 3,598.14	
Accrued liability for employees' retirement		7,466.31	
Accrued lighterage allowance		2,090.43	$ 13,154.88
ADVANCE FROM STATE OF NEW YORK			
Original amount		$1,150,000.00	
Less amount repaid		70,560.00	1,079,440.00
SURPLUS			
Balance December 31, 1945		$ 222,130.04	
Add net revenues for the two months ended February 28, 1946		21,975.50	244,105.54
			$1,336,700.42

SCHEDULE D

THE PORT OF NEW YORK AUTHORITY

Pier Development Fund (Note 6)

Statement of Net Revenues

For The Two Months Ended February 28, 1946

GROSS OPERATING REVENUES:		
Piers and wharfs		$24,149.33
Grain elevator		14,986.03
Miscellaneous		7,563.40
Total Gross Operating Revenues		$46,698.76
OPERATING EXPENSES:		
Operation and maintenance	$27,095.34	
General and administrative expenses	1,583.30	28,678.64
Net Operating Revenues		$18,020.12
OTHER INCOME:		
Interest on investment in U. S. Treasury Bonds	$ 1,428.52	
Profit on sale of U. S. Treasury Bonds	6,125.00	7,553.52
		$25,573.64
OTHER DEDUCTION:		
Interest on advance from State of New York		3,598.14
Net Revenues		$21,975.50

THE PORT OF NEW YORK AUTHORITY

Redrafted

Capital Accounts		
Investment in facilities—at cost		$238,167,199.51
Construction in progress		1,186,612.00
Assets held for additional construction:		
Cash in banks	$ 834,395.41	
U. S. Government securities	7,063,058.07	
Accrued interest receivable	21,116.77	
Deposits on condemnation proceedings	138,776.68	
Miscellaneous other assets	14,349.82	8,071,696.75
		$247,425,508.26
Sinking Fund Assets		
Cash in banks		$ 1,742,167.96
U. S. Government securities		600,150.00
Accrued interest receivable		1,290.97
		$ 2,343,608.93
General Reserve Fund Assets		
Cash in banks		$ 47,264.05
U. S. Government securities		16,528,820.84
Accrued interest receivable		97,208.86
		$ 16,673,293.75
Employees' Retirement Fund Assets		
Cash in banks		$ 24,131.55
U. S. Government securities		2,601,056.36
Account receivable		104,003.40
Accrued interest receivable		7,069.76
		$ 2,736,261.07
Insurance Fund Assets		
Cash in banks		$ 13,086.31
U. S. Government securities		1,963,181.94
Mortgage receivable		171,000.00
Accrued interest receivable		13,530.24
		$ 2,160,798.49
Other Assets		
Cash on hand and in banks		$ 787,757.53
U. S. Government securities		4,013,763.68
Accounts receivable		125,093.84
Accrued interest receivable		25,940.10
Other assets		3,905.93
Prepaid insurance		102,697.35
		$ 5,059,158.43

(Note 8)

Balance Sheet

DECEMBER 31, 1945

Capital Accounts		
Funded debt		$183,120,000.00
Advances and accounts payable:		
Advances from the States of New York and New Jersey	$ 8,479,918.20	
Accrued interest on Terminal Bonds, Series J	32,812.50	
Accounts payable	19,079.38	8,531,810.08
Equity accounts:		
Debt retired through income	$55,131,256.86	
Contributed by federal and state agencies in aid of construction	10,860,411.85	
Appropriated income invested in facilities	2,526,108.10	
Appropriated income to be invested in facilities	1,453,380.23	
	$69,971,157.04	
Less cost of refunding and consolidating debt	14,197,458.86	55,773,698.18
		$247,425,508.26
Sinking Fund Reserves		
Applicable to General and Refunding Bonds:		
Fourth Series		$ 1,532,761.77
Fifth Series		810,847.16
		$ 2,343,608.93
General Reserve		
General reserve		$ 16,673,293.75
		$ 16,673,293.75
Employees' Retirement Reserve		
Estimated for prior service		$ 2,736,261.07
		$ 2,736,261.07
Insurance Reserve and Liabilities		
Reserve for uninsured risks		$ 2,157,095.21
Claims payable		3,703.28
		$ 2,160,798.49
Other Reserves and Liabilities		
Reserve for restoration and improvement		$ 3,216,883.04
Current liabilities and deferred income:		
Unredeemed bonds and interest coupons	$ 3,171,887.50	
Less amounts on deposit with paying agents	3,108,318.75	
	$ 63,568.75	
Accounts payable	267,542.75	
Accrued interest on funded debt	957,109.51	
Accrued liability for employees' retirement	263,818.06	
Liability in lieu of taxes	30,064.10	
Deferred income from unredeemed tickets, etc.	260,172.22	1,842,275.39
		$ 5,059,158.43

INDEX

Abell, Frank D., 65
Accountants' Report, 79
Administration, 64
Air routes, 32
Air transportation, 11, 29, 32
Airports
  Floyd Bennett, 18
  Idlewild, 12, 15, 16
  LaGuardia, 12, 16, 18, 19
  New York International—*see* Idlewild
  Newark, 2, 16
Armstrong, F. Palmer, 65
Arthur Kill Channel, 47
Atkinson, William J., 73
Bayonne Bridge, 51, 76
Bridges, Port Authority
  Bayonne, 51, 76
  George Washington, 27, 51
  Goethals, 51, 76
  Outerbridge Crossing, 51, 76
Bus Terminal, Port Authority Union, 19
Byrne, Joseph M., Jr., 64, 65
Cafeterias, 71
Channel modifications, 47
Chicago field office, 30
Civil Aeronautics Board proceedings, 32
Coastwise shipping, 39
Colt, S. Sloan, 64, 65
Columbia Street Pier, 54
Commerce News Bulletin, 50
Commissioners, Port Authority, 64
Comprehensive Plan, 1, 2, 59
Cross Bronx Expressway, 27
Cruse, Howard R., 65
Cullman, Howard S., 64
Department heads, 66
Evans, J. C., 66
Feuerbach, George, 73
Financial, 75
  Accountants' Report, 79
  Bonds, 75
  Financial summary, 78
  Grain Terminal, 55, 76
  Operating expenses, 54
  Repayment to States, 55
  Reserves, 77, 83
  Revenues, 51, 75, 78, 82
Floyd Bennett Airport, 18
George Washington Bridge, 27, 51
Goethals Bridge, 51, 76
Gowanus Channel, 48
Grain Terminal, Port Authority, 54, 75
Great Lakes-St. Lawrence Seaway, 48
Hackensack River, 48
Harlem River Drive, 27
Hedden, Walter P., 66
Highways, 27
Hoboken piers, 2
Holland Tunnel, 25, 27, 51, 54
Idlewild Airport, 12, 15, 16
Interstate Commerce Commission proceedings, 41
LaGuardia Airport, 12, 16, 18, 19
Lenz, Albert J., 74
Lincoln Tunnel, 51
Lowe, Donald V., 65
Lower Manhattan Crosstown Expressway, 28
Maritime Commission proceedings, 41, 42
McKay, David, 66
Medal, Distinguished Service, 72
Midwest movement of commerce, 30
Moran, Eugene F., 65
Motor Truck Terminal, New York, 24
Motor Truck Terminal, Newark, 25
Mott Basin, 48
New York International Airport—*see* Idlewild
Newark
  Airport, 2, 16
  Port of, 12
  Seaport, 2
  Union Motor Truck Terminal, 25
178th Street Tunnel, 27
179th Street Tunnel, 27
Operating expenses, 54
Operations, 51
Outerbridge Crossing, 51, 76
Personnel, 10, 18, 66, 67
Piers
  Columbia Street, 54
  Hoboken, 2
Poole, John S., 74
Pope, Bayard F., 65
Port Authority Building, 60, 75
Port Compact, 1, 2, 59
Port Chester Harbor, 48
Port Newark, 5, 12
Port Planning, 1
Port Promotion and Protection, 29
Pulleyn, John J., 64
Rail rates, 41
Raritan River Channel, 48
Rates, shipping, truck, rail, 40
Revenues, 51, 75, 78, 82
St. Lawrence Seaway, 48
Sheehan, Harold, 74
Shipping, 29
  Coastwise, 39
  Rates, 42
Staten Island Bridges, 51, 76
Stoppages, tunnel, 51
Taylor, Frank J., 65
Tobin, Austin J., 65
Toll revenues, bridges and tunnels, 51, 78, 82
Traffic, bridges and tunnels, 51
Truck rates, 43
Truck Terminal, New York Union Motor, 24
Truck Terminal, Newark Union Motor, 25
Tunnels, Port Authority
  Holland, 25, 27, 51, 54
  Lincoln, 51
  178th Street, 27
  179th Street, 27
Union Bus Terminal, Port Authority, 19
Union Inland Railroad Freight Station, 60
Union Terminal Freight Station No. 2, 24
Union Terminal Freight Station No. 3, 25
Veverka, William, 73
Walsh, Arthur, 65
Weiss, George, 32
Whitman, Charles S., 65
Wilson, Billings, 66

387.1

P83A
1947
c.2

AUTHOR

P. A. ANNUAL REPORT

TITLE

DATE DUE	BORROWER'S NAME	ROOM NUMBER
[illegible]	Schwind	503
1/26/59	C. Lynch	1201
2/14/59	Renew 1 mo.	1301
9/2/60	Schroeder	202

GAYLORD NO. 63