This booklet is compiled from facts presented before Congressional Committees authorized to receive such testimony. The illustrations are reproductions of the original charts.
AIR TRANSPORT ASSOCIATION OF AMERICA
800 8th Street S.W. - Washington, D.C.

CHICAGO, ILL.
January 1, 1937

To whom it may concern:

To predict what the future may hold in store in the way of transportation of passengers and mail and other cargo by scheduled aircraft, would be a task not merely for a prophet but for a most courageous one.

In ten brief years the growth of air transportation in adaptability and popular usefulness has been almost unbelievable. It is conservative to say that the airways will, at no distant date, take a substantial place among the world's principal lanes of transport and travel. Any medium that reduces the element of time in travel and communication, will eventually assume a commanding role in the affairs of men.

Conceived in the foresight of the Government of the United States -- developed in embryo as a Government undertaking -- entrusted to private operation to gain the realized advantages of private initiative and lowered unit cost -- the American air transport industry serves as an indispensable instrument of domestic, overseas, and foreign commerce and social intercourse. Beyond doubt the scheduled air transport industry has influenced and stimulated many of our other national industries.

Our military Air Force is as dependent upon American Commercial Aeronautics as is our Navy upon our Merchant Marine.

Yet the facts and proportions of growth of airline transportation -- in which, already, American private capital to the extent of some $125,000,000 has been invested -- are for the most part little known.

To make such facts available, both because we take pardonable pride in them and because the events of the past and present are indicative of the possibilities and needs of the future, this little pamphlet is presented for your consideration.

Respectfully submitted,

Edgar S. Gorrell
President

"BY COMMON ACTION TO ADVANCE THE AIRLINE INDUSTRY FOR BETTER SERVICE TO THE PUBLIC AND FOR THE NATIONAL DEFENSE"
Let's all hope we are right!
The public's use of air mail for business and social purposes has mounted steadily.

(The decline during the fiscal year 1936, and in the subsequent interval required for repairing the decline, was caused by the cancellation of the air mail contracts.)

As volume has mounted, the unit cost to the Government has steadily decreased.

(Note figures at extreme bottom of chart.)
"During the current year all past records have been broken,"—Postmaster General James A. Farley, in his Annual Report for the fiscal year 1936.

In July, 1936, the monthly record of pound-miles of air mail transported crossed the billion mark.
DOMESTIC AIR-MAIL CARRIED
FISCAL YEARS 1927-37

Air mail poundage is increasing nearly 50% per year. Pound-miles are mounting still more rapidly.

By mid-1938, according to present indications, the air lines will be carrying mail at the rate of 25 million pounds per year; the pieces of mail in each pound traveling an average of approximately 1558 miles.

Note the steady annual decrease in unit cost to the Government for the transportation of mail by air. (Note graph at bottom of chart.)
Rising revenue from passengers and express contributes to lower unit costs for carrying air mail.
The more the public uses air transportation, the lower falls the cost to the Post Office Department, per pound-mile, for transporting air mail.

When mail cost per plane-mile increases, it is because more pounds of mail are carried per load.
PAYMENTS PER PLANE-MILE FOR AIR-MAIL TRANSPORTATION

(A) GOVERNMENT OPERATION (COST PER PLANE-MILE)
(B) PRIVATE OPERATION (GOVERNMENT PAYMENTS TO CONTRACTORS)

No industry is subsidized when it can perform for the Government an operation essential for the public's necessity and convenience at a unit price lower than the Government itself can perform the same operation.
PAYMENTS TO AIR-MAIL CONTRACTORS, COMPARED WITH ESTIMATED AIR-MAIL POSTAGE REVENUE, FISCAL YEARS 1930-36

"We, in the Post Office Department, confidently believe that air mail revenues are going to increase and increase and increase," said Honorable Karl A. Crowley, Solicitor for the Post Office Department, at a public hearing before the Interstate Commerce Commission, in December, 1936. The facts prove Mr. Solicitor Crowley eminently correct.

Payments shown are actual; revenues are estimates or allocations, based on infrequent spot checks at less than 7-10 of 1 percent of the Post Offices of the United States.
The public's use of air mail in daily business and social affairs has rapidly increased, but the mileage of air mail routes has been artificially limited by insufficient appropriations. There are still cities of over 200,000 population without direct air mail service.
The ultimate military security of the United States depends in high degree on the effectiveness of the network of completely equipped and usable airways throughout the United States.

America is now annually spending many millions of dollars for a Military Air Force that might be grounded in the wrong place if atmospheric conditions be adverse at a crucial moment.
Through 1932, the Government spent from regular appropriations an average of one and two-thirds million dollars annually on new and additional airway aids. Since 1932 the annual average so spent has been less than $94,000... in the two years of 1933 and 1934, nothing was so spent.
"Estimate your fondest hopes and your fondest dreams; multiply the answer so obtained by ten; then realize that your calculation still will be too small." So advised Marshal Joffre when he was asked in 1917 how to estimate the possibilities of aviation.

Air line companies are raising and spending millions of dollars of private capital ($11,000,000 in 1936-37; $15,000,000 estimated for 1938) for new equipment to handle tomorrow's traffic.
America's air lines are now running at greater capacity than ever before in their history. Daily they fly with passengers and cargo, a distance which averages more than 8 times around the world at the equator, or the equivalent of nearly 4/5 of the way to the moon. Every second of each day, an average of 1,050 passengers and more than 14 tons of mail are being transported by scheduled airliners, under conditions of safety and comfort, combined with speed second to that of no other mode of transportation.

America's overseas and foreign air lines fly double the route mileage of any overseas power and with the smallest net cost.
Technique of flying and volume of air traffic have far outgrown the Government's system of airway aids.
The air is an ocean, the only ocean navigable to all points on the earth's surface. Just as the Government traditionally has marked dangerous rocks and reefs to protect ships on seas and inland waterways, so likewise it is the function of Government to provide markings essential to safety on that greatest of seas, the air.
AIDS TO AIR NAVIGATION
FEDERAL AIRWAYS SYSTEM

Aids to air navigation are provided by the Federal Government, not alone for scheduled air transportation, but likewise for the private flyer, the Army, Navy, Marine Corps, and Coast Guard.
Safe flying has become increasingly dependent upon the accuracy, completeness and timeliness of weather information. Yet in spite of enormous increase in flying operations, the United States airway weather service has been sharply reduced by curtailment of appropriations.

The first duty of any Government is to protect the lives of its people, whether at home or abroad, whether on land, on water, or in the air.
Just as navigable waters are marked with navigational guides and beacons followed by the sense of sight, so likewise a civil airway in the navigable air space is marked with guides and beacons followed mainly by the sense of hearing. Gaps exist in the marking of civil airways by means of radio beams, that would not be tolerated by the traditional policy of accurately and completely marking the waterways.
"Additional aerological stations over and above the existing stations are needed in order to enable forecasters to watch the trend of weather as it approaches from over the airways to and across the airways. This proposition is based on actual experience and is considered essential to safety and efficiency in the operation of flying activities along all the civil airways."—Dr. Willis R. Gregg, Chief, United States Weather Bureau, before the Committee on Appropriations of the House of Representatives.
The size of the United States as measured in hours of travel during the period of the stage coach.

The size of the U.S. reduced by railroad transportation.

The size of the U.S. reduced by airplane transportation.

Showing how distances, as measured in time units, decrease as transportation speed increases.

By courtesy of the Postoffice Department.
SIX YEARS OF AIR TRANSPORT PROGRESS

Comparison of air transport data of U. S. Domestic, Foreign and Overseas Air Services of 1930 with preliminary figures for 1936.

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<th>1930</th>
<th>1936</th>
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<tr>
<td>Miles Flown</td>
<td>36,945,203</td>
<td>72,000,000</td>
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<td>Pounds of express and freight carried</td>
<td>468,571</td>
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<tr>
<td>Pounds of mail carried</td>
<td>8,513,675</td>
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<tr>
<td>Passengers carried</td>
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<tr>
<td>Passenger-miles flown</td>
<td>103,747,249</td>
<td>480,000,000</td>
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</tbody>
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COST, one pound of air express,
New York—San Francisco          $2.60  $1.00

COST, passenger fare,
New York—San Francisco          $259.50 $160.00