

American Aviation ^{m9} DAILY

Your Overnight Washington Representative

1025 Vermont Ave., N. W., Washington 5, D. C.

Wayne W. Parrish, Editor

INCLUDING INTERNATIONAL AVIATION

Eric Bramley, Exec. Editor

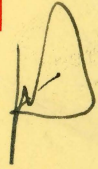
KEITH SAUNDERS, Managing Editor

PHONE—STERling 5400

Published daily, except Saturdays, Sundays and Holidays by AMERICAN AVIATION PUBLICATIONS, INC., in Washington.

SUBSCRIPTION RATE: \$18 a month, \$100 for six months, \$200 a year, postpaid. Quantity and deferred mailing rates on request.

APPLICATION FOR REPRODUCTION of material contained herein should be made to the editors.

Vol. 82, No. 36 _____ Tuesday, October 21, 1952 _____ Page 317 

CAB OPPOSES PACIFIC TOURIST FARES

CAB has advised U.S. members of IATA that it sees no economic justification at this time for establishment of trans-Pacific tourist air fares. In letters to the U.S. airlines, CAB said it could not approve such fares on the basis of available data. IATA traffic conferences, which will consider the Pacific problem, opened meetings today in Cannes, France.

* * *

RYAN NAMED CAB CHAIRMAN FOR REMAINDER OF 1952

Oswald Ryan, whose term as a CAB member runs through 1954, has been appointed CAB chairman by President Truman for the remainder of 1952 (DAILY, October 15). He will succeed Donald W. Nyrop whose resignation takes effect October 31. Ryan's appointment is subject to change or renewal after the first of the year. The Board membership being vacated by Nyrop, which runs through 1953, remains unfilled.

Ryan, a member of CAB since its creation in 1938, has served as acting chairman on numerous occasions and as vice-chairman since March, 1946. This is his first appointment as full chairman and makes him the second Republican ever to hold the post. Edward J. Noble, first Board chairman in 1938, was also a Republican.

* * *

CUT IN '54 PROCUREMENT FUNDS WON'T AFFECT MILITARY AIRCRAFT BUILD-UP

The money available for aircraft procurement in the military fiscal 1954 budget, now in preparation, will be considerably less than the 1953 figure, the DAILY has learned.

This, however, presages neither a sharp cutback of the procurement program nor a new "stretch-out." The Air Force will continue its build-up to 143 wings as planned and the Navy will continue its own air expansion program. Reason for the drop in procurement money is that fiscal 1954 will mark the start of an orderly leveling-off process as originally planned. The orders placed in fiscal 1952 and 1953 are for production well into 1955 and early 1956, the date at which the 143 wing strength is to be attained. Thus, fiscal 1954 orders will go toward maintaining that strength, rather than expanding.

The three military services have just completed their budget requests and the planning budget has been submitted to Defense Secretary Lovett. No information has been released concerning the amounts requested, but the DAILY is informed that the total is about \$41 billion, including about \$17 billion for the Air Force, \$13 billion for the Army and \$11 billion for the Navy. The \$41 billion figure is for the three services only--it does not include foreign aid expenditures, military construction, and a variety of other defense items. It is roughly \$5.5 billion less than the fiscal 1953 figure.

Best estimates are that the procurement total will be under \$9 billion, compared with \$14 billion in the current fiscal year. Biggest drop will be in Air Force procurement, dollar-wise, but it is expected that the Air Force-Navy dollar-ratio in procurement of aircraft and related equipment will be maintained.

(Continued on following page)