

LETTER OF TRANSMITTAL

FEBRUARY 15, 1968.

DEAR MR. PRESIDENT:

On November 16, 1967, you appointed the Industry-Government Special Task Force on Travel to make specific recommendations on how the United States can best increase foreign travel to this country, thereby improving our balance of payments. You directed that our report be submitted by early summer. In your Message to the Nation of January 1, 1968, you asked us, in view of the urgency of our balance-of-payments problem, to report within 45 days on immediate measures that can be taken, and to make our long-term recommendations within 90 days. We undertook to accelerate our efforts further by covering both immediate and long-term factors in the present report.

The Task Force, with the support and collaboration of Federal agencies and private industry, has initiated actions which should lead to a substantial cost reduction affecting travel to and within the United States. Domestic air fares, railroad fares, hotel and motel rates, intercity bus fares, car rental charges and package tour prices are affected. International air carriers and steamship lines serving the North Atlantic are also seeking approval of low-cost directional fares to the United States.

The 1968 budgets of U.S. travel-related businesses and associations for promotion, advertising, and sales abroad have already been increased sharply and focused on the purposes of the Task Force. Foreign-flag airlines and steamship lines are expanding their efforts to promote travel to the United States. International travel organizations have transmitted to the Task Force unprecedented offers of cooperation.

Thus, within 45 days of your January 1 message, action on the two elements which could realistically be expected to have the most dynamic impact in carrying out your program to increase foreign tourism to the United States this year—cost reductions and increased promotion—have been initiated without calling for legislation or spending Government funds.

With these actions already started, we submit our report. In doing so, we emphasize that we have borne in mind your charge to build into our program ways and means to insure that foreign visitors learn to know our country and our people. Our primary purpose has been to create a more propitious international economic climate, while at the same time to foster greater understanding by the peoples of the world of our Nation's ideals and aspirations.