

seeing programs in Niagara Falls, Boston, New York, Philadelphia and Washington that will reduce the cost to foreign visitor group tours by \$10 or more. The new fare will be \$20.

Subject to action by public utilities commissions, the sightseeing industry is considering offering to overseas visitors city-to-city programs in 1968 and 1969 at 25 percent discounts on all tours of one-day duration or less.

Gray Line will continue its regular "Visit USA" programs of unlimited sightseeing embracing 79 cities throughout the U.S. The 15-day program sells for \$52.00 and the 21-day program for \$62.00.

9. *American Express Company* advises the Task Force that if the substantial fare reductions being considered by domestic and international airlines are effected and if they are supplemented by lower rates now under discussion by other segments of the industry, American Express expects to be able to restructure significantly the cost of its package tours from Europe to this country. For example, an American Express 14-day all-expense tour from Paris to New York and then around the USA which formerly was sold at \$842 could be sold at around \$670, a 20% decrease in the present price.

Given the proper lead time, the proper promotional effort, and the proper international cooperation, American Express believes that the maximum cost reductions noted in earlier sections of this report could have resulted in an increase of foreign visitor expenditures in the United States during 1966 of between \$123 million and \$149.8 million from Europe and the Mediterranean countries alone. American Express has used 1966 as a base year because the 1967 statistics are incomplete.

Tour companies operated by *Greyhound Bus Lines* will establish tour rates for overseas passengers to the USA in relationship to reductions obtainable from the component tour services, i.e., transportation, hotels, sightseeing, etc.

RECOMMENDATIONS

1. Results of temporary price reductions for foreign visitors should be evaluated by October 1, 1968 and extended if they have proven to be effective in improving the U.S. balance of payments.

2. The U.S. Government should exert its influence to enlist the cooperation of United States and foreign air carriers and foreign governments to secure approval within the International Air Transport Association of inbound, directional, transatlantic fares. After these reduced fares have been agreed upon within IATA, steps should be taken to obtain agreement on similar reduced directional fares from other areas of the world.

3. The U.S. Government should continue discussions with U.S. railroads, begun by the Task Force, concerning establishment of a