

exert control by having a majority on the board, or by controlling funds.

(4) An organization of maximum operational flexibility in which its director is given sufficient authority to run an effective program. His prestige must be great enough to command support in both Government and private industry.

(5) An organization whose head is a presidential appointee under the Civil Service System would be able to officially speak for the United States and would be privy of Government councils.

(6) The majority of countries have found it preferable that their travel organizations be governmental agencies. There are, however, outstanding examples of countries, among which the United Kingdom is pre-eminent for the size of its annual budget, that operate successful travel organizations as industry-government partnerships. Among others in this category are: Austria, Denmark, Netherlands, Switzerland, Hong Kong, and Thailand.

It is the view of the Task Force that analysis of the problem, testing of business community reactions, settlement on a specific organization, and drafting of legislation could be completed in 90 to 120 days. During this period, it would also be possible to draw up budget recommendations for the travel development program. We have received varied budget recommendations, but detailed backup material has not yet been developed on such basics as: the amount of funding necessary to permit the United States to compete effectively in selected travel markets; a rational priority system in promoting selected markets; the portion of the budget, if any, that might be obtained from private sources.

Because of the large scope of domestic travel business, and the diverse nature and characteristics of domestic and foreign travel, the Task Force believes that, at least initially, the work of the proposed organization should be limited to travel by foreign visitors.

The Task Force recognizes that it will take some months to carry out the work described above, and to set up the proposed travel development organization. Meanwhile, we recommend that the budget of the U.S. Travel Service be increased, and its functions be expanded to permit it to launch an immediate promotion program abroad and to strengthen its existing operation. If it is to play the needed role in carrying out an increased program to complement activities in the private sector described in earlier sections of this report, the Task Force believes that the U.S. Travel Service requires its full authorization of funds, necessitating a supplemental appropriation of \$1.7 million before June 30, 1968, to complement the \$3 million already appropriated. The money would be used for market surveys, research, promotion, advertising, and necessary expansion of offices and public