

You say that the average tour abroad is about 28 days. Isn't that the figure, or 27 days? If there was an exemption granted for travel under 30 days would that take care of most of the people that are involved in travel? I was checking the passport figures of 1965 and 1966 and they indicated that 14 percent of the travelers indicated when they applied for this transportation, for their passports, that they intended to stay abroad less than 30 days.

Has your industry made any effort to find out how many long-range travelers we have, some of the people that have been abroad for 10 and 15 years who haven't been back here at all, probably a million or 1,200,000 of them who are spending American dollars every day rather extravagantly in some places and have never come back here.

Do you think that they should be granted this special privilege? Mr. FRANKEL. If there would be some way of determining who they are and where they are, perhaps that would be an area in which some tax could be made, but we refer to the average traveler, and I think it is the desire of the administration and all concerned not to overly penalize the average traveler, and according to the statistics which we have developed we find that the average length of stay is roughly around 26 point something days.

Mr. VANIK. So that a 30-day exemption would take care of most of the industry's concern.

Mr. FRANKEL. I would say so; yes, sir.

Mr. QUINN. If I may—

Mr. VANIK. Yes.

Mr. QUINN. It may exempt or remove a substantial number of tourists from the burden of the plan, but I think the plan would still be objectionable in that it is based on the concept that there is a need to impose restrictions which, in the first place, quite frankly, we don't feel is true.

Also if you make the exemption 30 days, the average student, according to some studies we have done, stays 60 days.

Mr. VANIK. Students are in a different class, perhaps, and people who are there to better their education are there under different circumstances. They don't contribute very much to the imbalance and they tend to live in hotels and the dollar outflow isn't substantial.

When I think of a 30-day exemption I also think of students and the bona fide educators that are out developing their talents and I don't think they contribute too much to the imbalance. They certainly live within the minimum daily allocation here and would probably be exempt for the first 30 days, anyway, but if we were to exempt the first 30 days that would take care of a good part of your problem, would it not, without being disruptive to the industry?

Mr. FRANKEL. Yes.

Mr. VANIK. In other words, I just don't think that to take a position against everything is wise. The mere fact that we are talking about this tax area, reduces costs in many places in the world, I think this discussion is probably serving to reduce the hotel rates all over Europe. It should have some impact, so that actually the taxpayer who pays a little tax may find because there is a tax the prices have gone down and so that really what he may be paying this Government