

through old age pension grants. There are countries, for example, where we by treaty are paying social security out of counterpart funds so that it actually is not contributing one penny to the outflow of revenue by this country and I think that an exemption ought to be designed specifically for those people of low income, of how social security benefits or other income, who are living abroad who probably would be a burden upon this country if they came here.

I think we ought to exempt them.

Mr. BATTIN. The only point I was making is that when you start talking again about percentages of those making application for passports you would have to take into consideration and then divide those who are actually travelers from those who are getting a passport for the purpose of taking up a new residence.

Mr. VANIK. But, Mr. Chairman, there are about 800,000 of these people, Americans who are living very extravagantly on American dollars and they are almost expatriates. They enjoy the American income and the greater part of the outflow is contributed by this group of people who have practically established a permanent residence abroad, and perhaps it is time for them to make up their minds whether they are going to be American citizens or whether they are going to be citizens of a foreign country.

Mr. BATTIN. I would suggest that if you are talking about a 30-day exemption, then that would take the place of the 120 days, or would you set up a new classification?

Mr. VANIK. They operate on different ends of the spectrum.

Mr. BATTIN. I know.

Mr. VANIK. When I talk about a 30-day exemption I talk about exempting a traveler who is going abroad and expecting to come back in 30 days. I think the 120-day exemption ought to be abolished. I think we ought to approach that in another way so that we reach the expatriate traveler who has stayed abroad and has little intention of coming back and who is living rather extravagantly and contributing very heavily to the travel imbalance.

The CHAIRMAN. Any further questions?

If not, again, Mr. Frankel, we thank you and those at the table with you for bringing your views to the committee.

(The following letter was received by the committee:)

AMERICAN SOCIETY OF TRAVEL AGENCIES, INC.,
New York, N.Y., March 8, 1968.

Re proposed travel restrictions.

Hon. WILBUR MILLS,
Chairman, Committee on Ways and Means, U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: On February 19, 1968, I had the privilege of appearing before your Committee on behalf of the American Society of Travel Agents, Inc. (ASTA) in connection with the Committee's consideration of certain proposals by the Secretary of the Treasury designed to deal with the so-called tourist deficit and our balance of payments. During the course of my appearance before the Committee, certain questions were raised and requests were made for additional data. This letter and the attachments are intended to answer those questions and supply the information requested.¹ We would appreciate it if this letter could be included in the record of the hearings.

¹ The attachments referred to have been placed in the appropriate place in the testimony where the material was requested.