

Service, have agreed to cooperate actively with our association to implement the PACE program.

I have asked all members of the Association of Retail Travel Agents to set aside 2 weeks of their time to become salesmen for America. The response has been overwhelming.

It is presently anticipated that the first PACE task forces will depart on March 16.

Recent developments in the United States will make the selling job of these task forces much easier as a result of changes in marketing and pricing of tourist facilities in this country, aimed at the European budget and taste. For example, the domestic airlines have agreed to reduce their fares 50 percent for foreign visitors. The international airlines are considering reduced fares for trips originating in Europe. Hotel chains and hotel keepers throughout the United States have announced plans to offer reduced hotel rates. Car rental agencies have also offered special discounts. Bus companies and sightseeing operators have done the same. Student organizations have offered their help as interpreters at ports of entry.

PACE will inform the European travel agents of these dramatic changes which will place America within the reach of the European pocketbook. The effects of this crusade will bear fruit this year.

We further propose that the United States increase its expenditures to promote tourism to this country.

The budget of the U.S. Travel Service has been sadly deficient. The budget of small countries such as Austria, Belgium, and Ireland are many times greater than the U.S. Travel Service budget. It should therefore come as no surprise that other countries have been more successful in promoting tourism. Our association deems it of vital importance that the U.S. Travel Service budget be increased immediately.

Accordingly, although ARTA is opposed to the imposition of the proposed 5-percent transportation tax since it will deter travel we do not oppose a transportation tax provided only that the proceeds are used exclusively to increase the budget of the U.S. Travel Service and for other purposes calculated to promote America abroad. We wish to make it perfectly clear, however, that the tax should be imposed only to the extent necessary to provide a fund sufficient to finance a proper promotional effort. We feel that such increased expenditures are worth while especially if this will permit Americans to continue to travel freely.

We must emphasize that the Association of Retail Travel Agents is unalterably opposed to a transportation tax or other similar tax for any other reason whatsoever.

We also propose to equalize the discrepancy between the sale of international and domestic air transportation.

The practical business realities are such that travel agents have not promoted domestic travel to its fullest potential for the very simple reason that the commission on domestic air transportation is wholly inadequate. The result is that approximately 40 percent of domestic air transportation is sold through travel agents.

A different picture emerges with respect to international air transportation where the average commission is substantially higher. The result is that approximately 80 percent of international air transpor-