And this is what we stand in danger of losing.

To many people, in many lands, the American traveler represents a substantial source of income. These people are not concerned with the intracacies of international finance. They know only that when the tourist comes, they prosper, and that when he stays away, times are lean. And these are the people who, more than any others, can bring about the increase in "Visit the U.S.A." traffic that we so urgently seek.

The travel industry can provide them with the tools, in the form of improved tours, lower airfares, lower cost facilities, and the rest, but if we lose the good will of these prime contacts, if the close relation ships which we in the travel industry have built up so carefully over the many years are damaged or destroyed, then we will lose far more than we can ever hope to gain from a reduction in overseas travel.

This is why we are against the graduated tax on travel expenditures.

Our great anxiety is that these temporary measures, undertaken to correct a limited current situation, may do irreperable harm to many long-term efforts now in progress. For that to happen would indeed be an immeasurable loss.

We ask of you that, instead, you will use your influence and persuasion to aid our positive efforts toward a permanent solution of the problem; that we will find in a partnership of government and business—which the President has suggested as so desirable—a way to achieve substantial progress in 1968; a way to accomplish a lasting and effective restoration of the travel balance; a way that will encourage our friends abroad to work with us; a way that will truly reflect the free enterprise system which is the heart of our economic philosophy.

Thank you again for this opportunity to appear before you.

The CHAIRMAN. Thank you, Mr. Meyer, for bringing your statement to the committee.

Are there any questions of Mr. Meyer.

Mr. ULLMAN. I have just one question.

The CHAIRMAN. Mr. Ullman.

Mr. ULLMAN. You are opposed to the graduated tax primarily? That is what you have indicated in your statement.

Mr. MEYER. Yes, sir.

Mr. ULLMAN. If you were to be presented with an alternative or just a flat exemption figure with a tax on expenditures above that figure, what in your judgment would be—this would not include the transportation, itself—what would be a figure that would not do great disservice to the ordinary once in a lifetime traveler but, at the same time, would get to those people who spend more than the average?

Mr. MEYER. The figure that we would project in answer to that question—and I speak now for myself—would be $750.

Mr. ULLMAN. That does not include fare?

Mr. MEYER. Not including fare.

Mr. ULLMAN. That is a rather substantial sum. How long do the people who buy your tours stay?

Mr. MEYER. It is difficult really, to pin this down, because there are tours for 3 weeks, which sell as low as $70. There are tours which sell at astronomical sums. And there is everything inbetween. Our estimate is that $750 is probably the mean figure for expenditures on the typical 3-week vacation which is more readily used than any other