

Mr. HERLONG. The next witness is Capt. Curtis M. Olsen, in behalf of the Air Line Pilots Association, and I believe that Mr. Nevins is to deliver the statement. Is that correct?

STATEMENT OF JOHN NEVINS, CHAIRMAN OF THE MASTER EXECUTIVE COUNCIL, TRANS WORLD CHAPTER, AIR LINE PILOTS ASSOCIATION; ACCOMPANIED BY PAUL METCALF, CHAIRMAN OF THE MASTER EXECUTIVE COUNCIL, PAN AMERICAN CHAPTER; AND CURTIS OLSEN, LEGISLATIVE COMMITTEE

Mr. NEVINS. Yes, sir; that is correct.

Mr. HERLONG. Will you identify yourself for the record and those who accompany you, please.

Mr. NEVINS. Yes, sir. My name is John Nevins. I am chairman of the Master Executive Council of the Trans World Airline Pilots and have been assigned as spokesman for the Air Line Pilots Association.

On my left is Capt. Paul Metcalf, who is chairman of the Master Executive Council of the Pan American Pilots, on my right is Curtis Olsen, a member of the Air Line Pilots Association Legislative Committee.

Mr. HERLONG. Thank you.

Mr. NEVINS. With your concurrence, sir, we have a very short statement so I thought I would go ahead and read it. We should be through it well within our time allotted.

Mr. HERLONG. That will be fine.

Mr. NEVINS. Our appearance here today is to comment on and make suggestions regarding proposals put forward by the Honorable Henry Fowler and U.S. Treasury officials, February 5 and 6, 1968. We oppose the administration's proposal to impose a graduated tax on expenditures by travelers outside the Western Hemisphere and the associated penalties for noncompliance and/or understatement of expenditures on the declaration.

We do not quarrel with the urgent need to strengthen the dollar. As flag airline pilots we are, more than most, aware of our worldwide problems. We are exposed to more foreigners, see more foreign cities, observe more foreign lands, and possibly acquire a better understanding of foreign ways than any but the most seasoned travelers or career U.S. overseas employees. As such we believe some expertise lies within our group to offer comments to you.

The administration proposals single out the tourist as the culprit in the balance-of-payments problem and attack the result, not the cause. This will not correct the problem; only penalize innocent people. Thus we quarrel with the emphasis placed by the administration on expenditures by tourists from this country.

Our prime objection to the expenditures tax is that it is intended to reduce, sharply, the amount of travel by U.S. residents outside the Western Hemisphere. In reducing this travel the proposal will reduce the amount of flying by U.S.-flag airlines, with consequent deleterious effect on our careers. This reduction in flying will reduce captains to copilot status, reduce first copilots to lower paying copilot status and produce furlough of the excess pilots. The very pilots this