ADMINISTRATION'S BALANCE-OF-PAYMENTS PROPOSALS

THURSDAY, FEBRUARY 22, 1968

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D.C.

The committee met at 10 a.m., pursuant to notice, in the committee room, Longworth House Office Building, Hon. Phil M. Landrum presiding.

Mr. LANDRUM. The committee will come to order.

We have four witnesses this morning, the first of which is Mr. Robert Scott, vice president of the National Foreign Trade Council. Mr. Scott, will you come forward and identify yourself for the record and to the reporter?

STATEMENT OF ROBERT T. SCOTT, VICE PRESIDENT, NATIONAL FOREIGN TRADE COUNCIL, INC.

Mr. SCOTT. Mr. Chairman, my name is Robert T. Scott. I am vice president of the National Foreign Trade Council. I would like to thank you on behalf of the council for the opportunity to appear before you today. While the body of my statement contains a request for permission to file a supplement memorandum to be attached to this statement for the record, I would like to request such permission at this point.

Mr. LANDRUM. Without objection, it is so ordered.

Mr. SCOTT. I am sure most of the members of your committee know that the membership of the council comprises a broad cross section of U.S. companies engaged in all major fields of international trade and investment, including manufacturers, exporters and importers, companies engaged in rail, sea, and air transportation, bankers and insurance underwriters.

I. PROPOSED TRAVEL TAX PROGRAM

The National Foreign Trade Council as well as the formal declarations of the national foreign trade conventions have long emphasized the constructive force of travel in the expansion of foreign trade, and have supported positive efforts both of Government and of the travel industry in promoting travel to and within the United States. Measures intended to restrict or curtail international travel as a means of narrowing the balance-of-payments gap are opposed as shortsighted since any meaningful curb on tourist expenditures abroad can only constrict exchange receipts and consumer income which earnings are

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