

sions which agents receive are standard from all airlines whether they be domestic or foreign.

Mr. FROME. On an airline ticket from New York to Paris the agent will get the same commission whether it is Air France or Pan American.

Mr. SCHNEEBELI. To what degree is the determination of the airline made by the agent and to what degree by the traveler?

Mr. KANE. I would think this would be difficult to generalize on. I suspect the agent's influence is probably strong and I would like to think also that the travel writers' influence is very often taken into consideration, too.

Mr. FROME. I think you will find, Mr. Congressman, that the rates and commissions are fixed by the International Air Transport Association.

Mr. SCHNEEBELI. And are similar, both national and international?

Mr. FROME. However, competition is very keen.

Mr. SCHNEEBELI. I realize that.

Mr. FROME. And when it comes to the merchandising of package tours, the standard commission goes up. When it comes to booking charter flights, the elements of commission are more manifestly present, and it has been said that some of the foreign carriers are more competitive in this field of charter flights.

Mr. SCHNEEBELI. It is a very nice way of saying that probably the travel agents make out with a better deal from the foreign line.

Mr. FROME. Not necessarily. I don't think that is quite right because very often they are dealing with private organizations which are chartering the flight.

Mr. SCHNEEBELI. Correct. Since most foreign travel in the area of tours and booked grouping rather than individual, and this would take care of 40 people at one time rather than an individual, this would be paramount in the tour area, wouldn't it?

Mr. FROME. They are allowed to give a higher commission on a tour package than on an individual ticket.

Mr. SCHNEEBELI. They do.

Mr. FROME. The theory being if the agent goes out and sells a tour package he is participating in promotion rather than in just acting as a ticket agent, but you find, I think, that in the summertime our American carriers, Pan American and TWA, are in a difficult position to provide aircraft for charter flights because their planes are running to capacity.

Mr. SCHNEEBELI. We were told that on the average the American flights overseas were only about 50 percent booked—

Mr. FROME. On an all-year basis.

Mr. SCHNEEBELI (continuing). Going east and coming back west much less than that. We were told 65 percent in the peak season.

Mr. KANE. This may well be. Aside from Pan American, TWA, Northwest, and so forth, there are supplemental carriers, a number of which are very heavily involved in travel business abroad.

Mr. LANDRUM. Mr. Betts.

Mr. BETTS. All I have heard about are airlines. Don't steamship companies have any business any more?

Mr. FROME. You see what has happened to Cunard.