My remarks will be related primarily to the effect the contemplated legislation will, might, and is having on our more than 8,000 retail and wholesale travel agency readers, who comprise over 90 percent of the American travel agency industry.

By this stage of your committee proceedings, you have already listened to a host of industry speakers who have described the many disastrous effects the proposed travel taxes and restrictions would have on a broad spectrum of American industries, how our Visit U.S.A. program to attract foreign visitors to our shores would suffer, the probability of cancellation of foreign airplane orders, and a multitude of other cutbacks from abroad which could essentially deepen the present gold drain many times above and beyond whatever so-called travel deficit may now exist.

Part of my job as editor has been to read and study the testimony which you have already heard and, from the testimony already offered, I feel the travel industry has done a pretty convincing job of pointing out to you that the destructive effects of travel restrictions on American citizens far outweigh whatever surface benefits the Treasury Department might have contemplated. I should say that the industry's arguments have at least convinced me—not that I needed too much convincing. I'm hopeful that you, too, have been convinced of their soundness and merit.

Now I would like to outline and deal specifically with what is happening within the American travel industry today, and what is likely to happen within the immediate weeks and months ahead.

As of today, travel sales to Europe and the Orient are at a virtual standstill. As a side comment in answer to a previous question, the only people who are booking today are the jet set, because they don't care about potential cost.

The speech by President Johnson, on New Year's Day, followed by the suggestions of Treasury Secretary Fowler calling for a variety of monetary restrictions, including an involved set of per diem taxes, has practically strangled travel sales. The whole idea of restrictions and taxes has been extremely detrimental; but the per diem tax idea deals travel a death blow. Neither potential travelers nor travel agents can understand how the proposed taxes would or might work. Under these circumstances travel sales outside of this hemisphere are almost impossible to consummate.

Four weeks ago, in mid-January, the sale of escorted tour packages to Europe was roughly 15 to 20 percent behind the prior year's figure for the same week. As of last week, the week of February 19, those sales ran approximately 35 percent behind the prior year's rate. Cancellations of earlier sales have been fantastic—because nobody knows what his trip will end up costing. As we are in the midst of the peak season for booking travel to Europe, it is evident that each week which passes will see sales decrease geometrically, not just arithmetically. The result, by March 15, and surely by April 1, could be utter chaos within the American travel industry.

The uncertainty which now exists as to whether taxes will or will not be affixed to travel, how much they will be, and how involved their implementation will be, are factors which have already substantially reduced American travel abroad for 1968.