

Allow the travel industry an opportunity to survive this crisis, to prove its ability to lessen the gold drain through positive steps toward bringing foreign visitors to the United States—before it's too late. But give it that chance now—remove the threat of per diem taxes now. The longer this bill is permitted to linger, the more destructive it becomes.

Thank you.

Mr. LANDRUM. Mr. Schneebeli?

Mr. SCHNEEBELI. Mr. Abels, on page 2 you list a large decrease in escorted tour packages to Europe this year compared to last year. Is there any compensating pickup in business to the Western Hemisphere outside the United States?

Mr. ABELS. No; there is not because there is not room within the Western Hemisphere to send these people.

Mr. SCHNEEBELI. I realize they can't pick everything up, but is there any increase at all?

Mr. ABELS. Virtually none. Just as an example, there are complaints right this very day about overbooking in Puerto Rico and people not being able to obtain hotel rooms.

Mr. SCHNEEBELI. But there has been very little increase down toward the Caribbean area?

Mr. ABELS. That is right, because the Caribbean area was virtually filled before this happened.

Mr. SCHNEEBELI. You refer to escorted tour packages. Is this also reflected in individual arrangements for trips to Europe?

Mr. ABELS. In individual arrangements, but not in the so-called ultraluxury individual arrangements, for what you refer to as the jet set, because people who don't care what the taxes might be are the only ones who are booking now.

The bulk of travelers aren't booking because they don't know what they may have to pay for the tour.

Mr. SCHNEEBELI. I am referring particularly to businessmen who travel overseas. I presume their trips have not been cut back too much.

Mr. ABELS. Because travel agents book relatively few of those business trips, I am not familiar with that part of the picture.

Mr. SCHNEEBELI. This is only the business that is conducted through travel agents?

Mr. ABELS. Through travel agents, yes.

Mr. SCHNEEBELI. Thank you.

Mr. CONABLE. Mr. Chairman.

Mr. LANDRUM. Mr. Conable.

Mr. CONABLE. Mr. Abels, you refer several times to retaliation and the drying up of "Visit U.S.A." traffic. Why should there be retaliation? European citizens don't necessarily reflect concerns their governments may have any more than individual American citizens reflect concerns their Government leaders may have on all occasions.

Mr. ABELS. Well, I am referring there primarily to groups. I would guesstimate that most of the people who come here through the "Visit U.S.A." program are part of groups. Groups of any sort tend to be more civic minded than individual citizens.

As a result of that the civic-minded groups in foreign countries are pulling back on their trips to the United States.