

Mr. TIPTON. I will review that statement and I will talk to the pilots about it. If there is a way by which we can get any more traffic I certainly would like to know about it. As I said, we have problems where we think we are not being permitted to expand as rapidly as we should, but the problems are static.

Mr. BYRNES. As an organization of the airlines do you make representations to the State Department with respect to its policy in booking air travel for those travelers for whom it provides accommodations?

Mr. TIPTON. Yes, we make representations.

Mr. BYRNES. Are you satisfied with the shake that you are getting from them?

Mr. TIPTON. Fairly well.

Mr. BYRNES. Or have you told them that you thought they were buying too many flights on SAS or some other airline?

Mr. TIPTON. We keep, as best we can, constant check on how they use our services and we keep constantly pressing them to make certain that they use them completely, so that on the representations on that I guess I would have to say we are not completely satisfied with the extent to which that Bureau of the Budget circular is observed.

One of our reasons is that we don't have good solid data on the extent to which it is observed. We would like to have better data than we have on the extent to which the Bureau of the Budget circular requiring all Government employees to travel on American-flag airlines is observed.

So to that extent, to answer your question are we satisfied—

Mr. BYRNES. You don't know the degree to which it is being observed within the area of practicality, do you?

Mr. TIPTON. We don't have firm information on that. We would like to have.

Mr. BYRNES. I shouldn't think that that would be so awfully difficult to find out, at least where airline tickets are purchased under Government vouchers.

Mr. TIPTON. Mr. Phillion will comment on that.

Mr. PHILLION. Sir, these Bureau of the Budget regulations are to a large extent, on the basis of our knowledge of the vouchers, and there are ways in which you can check, being fairly well applied to Government employee travel. There are some loopholes in these regulations and we are concerned about those.

What we are primarily concerned about is other Government-financed traffic that isn't specifically Government employee traffic; for example, the Peace Corps. There is no requirement that Peace Corps employees use American-flag transportation and there is a lot of AID contract type transportation which is not covered by any regulation.

It is this type of traffic that we have no specific knowledge on.

Mr. BYRNES. I am not so interested in the regulations. I am interested in what are the practical results, because I have never seen a regulation that hasn't been written so that the agency has a convenient loophole, that triggers the barn door. These regulations always look good on paper. I thought maybe you people could give us some information as to the way the regulations actually operate—their practical effect.