ment in the whole user charge area, the whole charge area, is that we are private enterprise operators with no government interest and thus a foreign government if unchecked could levy heavy charges on us.

There is a provision in international law that one's government cannot discriminate in making these charges, but if you own the carrier you can impose heavy charges without creating difficulty, so that even with the nondiscrimination provision the U.S. carrier could be hurt by high charges abroad, hurt more than its foreign competitor.

Mr. ULLMAN. Thank you very much.

(The following letter was received by the committee:)

AIR TRANSPORT ASSOCIATION OF AMERICA,
Washington D.C., March 18, 1968.

Hon. AL ULLMAN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ULLMAN: In our recent discussion of the amount of traffic carried by U.S. airlines between the United States and various foreign countries, you raised some questions about the disparity in the statistics on this subject which have been presented by the different witnesses to the Committee.

Attached is a memorandum which, I believe, will clarify some of the uncertainty and confusion on this point. If it is not too late, perhaps it would be useful information for inclusion in the record before the Committee.

Sincerely yours,

LEO SEYBOLD,
Vice President, Federal Affairs.

MEMORANDUM—AIR TRAVEL BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES DURING THE YEAR ENDED JUNE 30, 1967

The purpose of this memorandum is to clarify certain questions concerning the U.S. international air carriers' share of the overseas air travel market. In the recent Congressional hearings regarding the proposed travel tax, Air Transport Association said that the U.S. carriers had approximately 49% of the U.S.-Europe market. In contrast, Air Line Pilots Association stated that the U.S. carriers had approximately 40% of the U.S.-Europe market. The reason for this differential is the fact that, in effect, ALPA and ATA were discussing two different markets. On the one hand, ATA was discussing the percentage of U.S. citizens who flew on U.S. flag carriers between the U.S. and Europe. On the other hand, ALPA was referring to the percentage of total traffic the U.S. flag carriers transported between the U.S. and Europe.

AIR TRAVEL BETWEEN THE U.S. AND FOREIGN COUNTRIES

Generally, the U.S. enjoys a favorable share of the traffic between the U.S. and foreign countries, as shown in Table I. Approximately 62% of the traffic is composed of U.S. citizens and 52% of the traffic is carried by U.S. flag airlines. Almost 60% of U.S. citizens are carried on U.S. flag carriers world-wide.

The following is a more detailed analysis of air travel between the U.S. and geographical areas.

Per Cent of Traffic Composed of U.S. Citizens (World-wide average 62.2%)

The percentage of traffic composed of U.S. citizens is above 50% in all geographical areas except Oceania (48.2%) and South America (35.1%). U.S. citizens as a per cent of total traffic is higher between the U.S. and Africa (72.7%) than any other area.

Per Cent of Traffic Carried on U.S. Flag Carriers (World-wide average 52.1%)

U.S. flag carriers only obtained less than half the total traffic in two markets—Europe (41.4%) and South America (39.4%). The highest per cent carried on U.S. flag carriers was between the U.S. and Africa (98.1%). The principal reason for this high per cent is the fact that the African countries do not have a national airline operating to the U.S.