Admiral JAMES. Mr. Chairman, Mr. Keenan drew your attention to a balance-of-payments study recently completed by Dr. Cherington and suggested that you might wish to review this and possibly include it in your report.

May I offer this to the committee for their consideration.

Mr. HERLONG. Thank you. We will take it under consideration for the record. Thank you very much.

Admiral JAMES. Thank you.

Mr. KEENAN. Thank you, Mr. Chairman.

Mr. HERLONG. The next witness is Stanley J. McFarland. Mr. McFarland, will you please identify yourself and the lady accompanying you for the record and please proceed in your own way.

STATEMENT OF STANLEY J. McFARLAND, ASSISTANT TO THE ASSISTANT SECRETARY FOR LEGISLATION, NATIONAL EDUCATION ASSOCIATION; ACCOMPANIED BY MRS. MARY CONDON GEREAU, LEGISLATIVE CONSULTANT

Mr. McFARLAND. Mr. Chairman and members of the committee, I am Stanley J. McFarland, assistant to the assistant executive secretary for legislation and Federal relations of the National Education Association. I am accompanied by Mrs. Mary Condon Gereau, legislative consultant, NEA.

Mr. HERLONG. You are recognized.

Mr. McFARLAND. I am pleased to express the views of the association and other related groups, including the American Association of School Administrators, the Association of Classroom Teachers, the Association for Health, Physical Education, and Recreation, the Association for Higher Education, the Music Educators National Conference, the National Art Education Association, and the Overseas Education Association.

As citizens we share the President's and this committee's concern over the unfavorable balance-of-payments situation that currently exists. We recognize that sacrifices are necessary and believe that the welfare of the country should take precedence over the immediate pleasure of individual citizens.

However, we have recommendations for the committee's consideration of the travel tax proposal as it relates to teachers and students.

The extension of the 5 percent tax on domestic air transportation could be extended to all overseas air travel. The proposal places this tax on only the portion of travel between the point of embarkation from the United States to the point of debarkation outside of the Western Hemisphere as a temporay measure, with extension of this tax to all air travel after the temporary expenditure tax expires.

The proposal, by limiting the 5 percent travel tax to only the first and last portions of a trip, subjects the rest of the cost of transportation to the proposed daily expenditures tax. This would be excessively expensive for those teachers who plan a 21- or 30-day educational trip which would take them to several countries; on the other hand, it