

From our knowledge of the interests of our members and from the communications we have received from them during the last 6 weeks, we believe that part of the proposed package of travel and expenditures tax carries a special hardship when it is applied to older people. Since your committee seems to have heard testimony from almost every other segment of the business and economic society during the last several days, and since our concern is limited to older persons who may want to travel abroad, I shall try to be brief and shall attempt to limit our testimony exclusively to any special problems which apply exclusively to older Americans.

Our associations consist of more than one and one-quarter million older Americans, vitally interested in and dedicated to their country.

Their working years stretch back over the last 10, 20, 30, or 40 years when wages and salaries were lower, when pensions were, therefore, computed on a meager base, and, in fact, when the philosophy supporting an annual pension for a lifetime of work was only in the developmental stage for many occupations. The resulting retirement income for people who have devoted a lifetime to such occupation as teaching, selling, social work, police work, clerical work, nursing, farming, business or industry has usually one common characteristic—it is a fixed income. It is fixed in the sense that the recipient is in no position to strike for more pension, as labor does, nor to raise prices, as industry does. Retirement incomes generally tend to be rigid and difficult to expand when the person is no longer employed and has joined the 20 million or more other retirees.

Our members have lived through two world wars and a devastating depression and have sacrificed much for their country. Many express a deep-seated resentment when they learn that they may not only be penalized but possibly also slightly branded because they delayed a hoped-for trip until their retirement years.

Let me quote you a letter from one of them :

I wish to go on record as opposed to the Administration's proposed travel tax. I am opposed in principle, believing that it will result in retaliatory action by other nations which will actually aggravate our balance of payments problem; and I am also of the opinion that it is most unfair to elderly citizens such as my wife and myself.

We are, and always have been, patriotic Americans, cheerfully accepting sacrifices for the good of the country whenever that was necessary. During World War II, for example, we lived within all ration restrictions, when some were using devious means to get gas, meat, etc., and laughing at us for our naivete.

Now, when we finally have the opportunity to take the European trip we have long planned and have made our reservations, our government proposes to add a burdensome tax to the cost of our trip and, no doubt at the same time, to stigmatize us as unpatriotic.

If the Congress chooses to enact this unwise measure, I hope that an exemption will be allowed for us citizens over 65 who may not be around to go abroad if and when the tax and restrictions are lifted.

There are a number of other letters that we have quoted at the end of my testimony.

These retired people are not tax dodgers. They are not unpatriotic. They do hope to live out their remaining years in self-respect, independence, and dignity. Our associations are dedicated to helping our members realize these ideals and we come before you today to urge that you not report out legislation which would unduly and unneces-