

3. The Government must accept its developmental role, and participate actively in bringing industry together to develop a vacation package that will fulfill the foreigner's exciting dream of America.

4. The Government, in the field of tourism and other aspects of international trade and investment must develop an essential element which heretofore has been missing—consistency. This is the way to guarantee and enhance our taxpayers' investment in these international programs.

5. Congress, instead of concentrating further on ways to keep the American traveler home, should immediately explore other available legislative means for bringing our international payments into closer balance.

Insofar as tourism is concerned, I venture to suggest that the \$500 million improvement in travel balance of payments which is the administration's goal will be achieved without the enactment of the proposed travel expenditures tax for the following reasons:

(i) The drain of \$500 million created by Expo 67 will be reduced by at least 50 percent this year.

(ii) Because of the confusion created by the administration's travel proposals, it has been estimated that Americans will spend \$250-\$300 million less than anticipated in 1968 for overseas travel.

(iii) If the committee adopts the OECD recommendations for minimum duty-free allowances and sets a minimum of \$50, the improvement in balance of payments should be about \$50 million.

(iv) Finally, if the recommendations of the McKinney report are adopted and immediately put into effect, it is estimated in the report itself that the improvement in the balance of payments will be more than \$150 million this year.

I think we can assure freedom of travel, freedom of choice of destination, for our citizens without imposing this restrictive tax, and I thank the committee for permitting me to present my views on these important problems.

Mr. ULLMAN. Thank you very much, Mr. Martin. Without objection the various exhibits at the end of the statement will be included in the record.

(The exhibits referred to follow :)

EXHIBIT 1

THE WHITE HOUSE
WASHINGTON

SEPTEMBER 25, 1967.

As International Tourist Year draws to a close, it is fitting that we rededicate ourselves to the important task of promoting international goodwill through travel.

This is no small undertaking. And it is worthy of our highest efforts and the unqualified cooperation of all nations. International travel helps satisfy a basic urge in man to learn more about his neighbor in a world which the jet age is making increasingly smaller.

For the first time in history, millions of people have the opportunity to visit distant lands and examine other societies and cultures. World travel lights the way to world understanding. As we advance toward a new decade in which once-distance travel becomes commonplace, let us always hope that our journeys to faraway lands are journeys to a more peaceful, friendly world.

LYNDON B. JOHNSON.