

into this concept of package tours, and I hope when you do that you will also keep under consideration the programs that will attract people way out to the west coast, to Oregon.

Mr. SHORT. Yes, sir.

Mr. ULLMAN. I know you have been working on this, and costs are involved. The 50 percent domestic fare reduction for this reason I think is a move in the right direction. I think it will enable foreigners to see a lot of this United States that they otherwise would not have been able to see.

Mr. SHORT. Right. I don't know whether you understand or not, Mr. Congressman, that the fare reduction as proposed by our members in terms of the McKinney report presupposes stops at three or four destinations and you would almost have to go from New York, if you landed there, via Minneapolis, and wind up in Oregon in order to really be involved in that type of fare. We had that in mind obviously when we did it.

Mr. ULLMAN. I knew that they would have to stop in Minneapolis, and I presumed certainly they have to stop in Portland, Oreg.

Thank you very much for a very, very fine statement.

Mr. SHORT. Thank you very much for your courtesy.

Mr. ULLMAN. Let's include Ohio, too.

Mr. SHORT. Yes, sir.

(The following statement and letter was received by the committee:)

SUPPLEMENTAL STATEMENT BY ROBERT E. SHORT, NATIONAL CHAIRMAN, DISCOVER AMERICA, INC.

Members of the Committee on Ways and Means have asked why we believe it is a proper function of the U.S. Government to operate a national travel bureau and why we have recommended that the appropriation for that function be increased.

Earlier in our testimony we pointed out that the so-called travel gap in our balance of payments was not the only reason which led to the Discover America program.

We recognize, nonetheless, that our balance of payments deficit is a national problem of serious proportions and that a solution to that problem is the objective of the travel restraint proposals under consideration by your committee.

It is our belief that the balance of payments deficit will become more serious unless a vastly increased effort is made to attract more foreign visitors to the U.S.

We have outlined what Discover America, its members and other interests are doing and will do this year to increase that effort. However, the task of attracting more foreign visitors to the U.S. in sufficient numbers to reduce the balance of payments deficit significantly cannot be accomplished by the private sector of the U.S. travel industry alone, principally for these reasons:

(1) Competition from other travel destinations, mostly in terms of large investments by foreign governments in travel promotion, has become too great. Money spent by foreign governments to attract U.S. citizens to their countries exceeds by many times the amount spent by the U.S. Government to attract their nationals to our shores.

(2) The private sector of the U.S. travel industry represents a vital but small percentage of the total U.S. travel product. Our travel product is the sum of all of our states, territories, possessions and Puerto Rico, all that they comprise in terms of God-given and man-made attractions, and all of the facilities, goods and services provided for travelers. Most of that total product is not capable of promoting its interests or representing its interests in foreign countries.

Thus, we submit that it is not only a proper function but a necessary function for the U.S. Government to operate a national travel bureau to assist the private sector—as our Government is doing for other industries in foreign markets—