Mr. HARDING. I think there is a great deal of truth in what you say, that in fact these are not effective remedies at times. But I would add that the reason we suggest that the subject of garnishment not be tackled at this time in this bill is because it is a tremendously complex problem. Harkening back to the Revenue Service, for example, this is an extremely effective remedy among defaulting taxpayers, and I would despair of our ability to operate the tax system at the rate at which we operate and with the problems we have without the authority of the Internal Revenue Service to levy on wages. So that, and the matrimonial problems, where the garnishment is in connection with a court order in a divorce case, I think these are two matters that must be dealt with and which the committee, composed of Justice, Labor, and OEO are considering at this point.

Mr. HANNA. I would agree with you 100 percent. The reason that I think it is important here—I was looking at the first point that the Secretary made on page 5 in which he indicated that we ought to be better educated about the cost of credit—and when you set out the investigation fees and collection costs, I find a tradeoff here, but to those stores that do not do very much in terms of investigating credit and screening credit, they turn up loading collection costs, so my experience is that they put a tremendous burden on the people who are paying their bills because they do not protect them against the deadbeats until the end of the line. So then they become an added collection cost. So in that degree I think your fourth point ties in here, Mr. Secretary, that what we hope this bill will do is to get everybody to maximize the efficiencies of the credit system and until we can get better screening of credit risks we are not going to have an efficient credit system.

I would ask the Secretary of Commerce if he does not think that perhaps his Department could actually help us in reporting better facts on our credit economy. It occurs to me that the committee ought to be aware, as I am aware, and I think that you gentlemen are fully aware, that 50 percent of the American population do not use credit and the people who do use credit, 98 percent is used by people between the ages of 21 and 35 and by the poor. So the credit use, when reported on average statistics is always distorted. We really do not know what the story is in our credit economy because we do not have credit reporting on the basis of age and income.

So I think, Mr. Secretary, you and your Department could begin to develop figures for the use of Congress and for your own use in the administration of the real dynamics in credit where it has happened and we would be in better shape than we are at the present time.

Do you agree that this is so?

Secretary TROWBRIDGE. Yes; I think so, Congressman Hanna. And I would think, too, that passage of this bill, which would put some rather standard measurements into the credit field which don't exist now where we have quite a vast variety of different forms, would help, to the extent that there would be a bit more uniformity, in the use of the compilation. I would be more than happy to provide you with information as to what we do have at the present time and what we contemplate adding to our statistical capability in this field.

I think we all have to recognize that the requirements for more information from all parts of the economy are just getting very, very