

Now, Mr. Harding, recent figures from the Department of Commerce indicate that 27 percent of the repayment on debts are for interest. Do you have any figures to indicate what would be a comparable figure as far as the poor are concerned. Would repayment for interest constitute more or less of the 27 percent to the payments made in the United States by those classified in the poverty? In other words, do you have any figures which indicate what percentage of the income of the poverty group is spent for the repayment of interest? Do you feel that your OEO poverty workers could make good use of provisions of H.R. 11601 to reeducate the poverty groups and protect them from sharp practices—to protect them from practices as indicated in this bill such as disclosure of interest and honest advertising?

In other words, do you feel that consumer credit protection, that the act, the Consumer Credit Protection Act of 1967 could be of assistance in helping those people get out of the vicious poverty cycle that they are now in?

Mrs. SULLIVAN. May I suggest—because you have a lot of questions in that question, and I think that he may have some figures—that he may furnish these figures for the record later and answer a little more fully, if that is all right with you.

Mr. ANNUNZIO. Fine.

Mrs. SULLIVAN. You can defer your answer, Mr. Harding, until you get a copy of the transcript.

Mr. HARDING. I will be happy to see what we have and put whatever we have in the record. I seriously doubt if our statistical background is quite that fine in terms of the payment by these people. But we will see what we have and supply it for the record.

(The material referred to follows:)

The Office of Economic Opportunity does not have such specific figures at this time. There is a need for research in this area. However, we expect to have some of this data as a result of five demonstration programs this agency funded toward the latter part of the fiscal year 1967.

Our experience however would indicate that the poor do pay more for credit in general since they are limited in almost all cases to the small loan company, the corner "mom and pop" store, the "loan shark," or other "informal" credit sources. Such interest rates are of course much higher than banks, credit unions, or savings and loan associations.

The disclosure aspects of this bill together with strong educational programs and legal services which actually reach the poor, will be of definite assistance to the low-income consumer.

Mr. HARDING. On the second question I would say to you, sir, that we definitely feel that the enactment of this bill would assist our operation, particularly our legal services operations in protecting the interests of the poor against gouging by unscrupulous merchants.

Mrs. SULLIVAN. Mr. Bingham?

Mr. BINGHAM. Thank you, Madam Chairman.

First of all, I would like to take this opportunity to express my great personal pleasure in our being able to welcome here Secretary Trowbridge. I believe this is his first appearance before this committee as Secretary of Commerce, although he has appeared before in the past as Acting Secretary.

In the space of less than 10 years Secretary Trowbridge has risen from a lowly position on a congressional staff through the ranks in business and government to a Cabinet post in our Government. He has done this on his own, through hard work and ability and without