Therefore, from a social, from a moral viewpoint I would say that our agency very much favors the elimination of that restriction in the Senate bill.

On the question of whether this would have an adverse effect on purchasing, I am inclined to think that it would not. For one thing, as we have testified earlier, one of the main programs that we have underway in this particular—in the consumer credit field are credit unions, and one of the major purposes they serve is to afford the poor people a choice in their purchasing procedures, so that if a hundred-dollar purchase is advertised at 20 or 25 percent, or whatever the merchant feels is necessary to put on that purchase, we hope to provide through these credit unions a viable choice where money can be procured at considerably lower interest rates and therefore hopefully purchased on a cash basis and eliminate what I consider to be a usurious charge.

Mrs. SULLIVAN. Would the gentleman yield?

Would it not perhaps be better in some cases if the knowledge of the actual full cost of credit that has to be paid on an item did discourage some buying—that is, by some of those who overbuy, and buy when they really cannot afford the object that they are buying?

Mr. HARDING. I think a good consumer education program would lead in that direction and should lead in that direction.

Mr. BINGHAM. Thank you. That is all.

Mrs. SULLIVAN. I have not had a chance to ask any questions, and I have a few for both of you.

This will not take very long.

Mr. Secretary, I believe your business career was spent largely in the petroleum industry?

Secretary TROWBRIDGE. That is correct.

Mrs. SULLIVAN. Did you read about Congressman Widnall's comments here Monday morning to Miss Betty Furness and Under Secretary Barr of the Treasury on the mailing out of unsolicited credit cards by gasoline companies?

Secretary TROWBRIDGE. Yes.

Mrs. SULLIVAN. These seem to be sent out almost at random, with no effort to check on people's credit ratings or even whether they want a credit card. One of our staff received such a card and noted the warning that he would be held responsible for any purchases made with it and, when he found he could not tear it or burn it, he sent it back to the company by registered mail. He will never buy that company's gasoline, I am sure.

What is happening to the cost of doing business as a result of credit cards going to unreliable credit risks, and are the rest of us having to pay those costs in the form of higher prices?

Secretary TROWBRIDGE. Madam Chairman, I have been the recipient and expediter of petroleum credit cards. I used to authorize the issuance of credit cards and since leaving the petroleum business I have received some of these cards from companies that I used to compete against, and I never was terribly impressed by the fact that somebody put me on a mailing list and sent me a credit card, frankly. Because the way I preferred to handle it, I would like to know more about the potential customer.