

paper and pencil and all the rest, we could not determine whether it was cheaper for me to get the credit there or to go over to the bank and get the loan at the bank. The best we could come up with is somewhere between 13 and 15 percent, but that was more of a guess than a calculated figure that we could say was true.

If it happens where you do take the time and where you have some command of mathematics, what happens to the vast numbers of people who are almost afraid of trying to even start to figure interest rates and trying to get a comparison?

In terms of the farmer, the matter of interest rates has become very critical, partly because of the cost of machinery which has gone up at such a large rate, and we do spend some time in our testimony telling a little about what has happened on the price of machinery, which is not related to increased wages, but prices have gone up at a very fast rate, and when it is compounded with high interest rates and when, on top of that, we see the trend toward the same type of revolving credit, or installment credit that we haven't had in the cities now being moved to the agricultural implement field, it does mean a real hardship on many of our farmers.

I also pointed out that we are paying a little bit more on our Federal debt up from \$6 billion to \$14 billion, and a good portion of this is because of increased interest rates, and I think a lot of this is because of the syphoning out of money that used to be available that has gone off over into the consumer field because of the increased money that they can earn there. It has cost us a good deal. Perhaps it has cost us as much as we have appropriated for Federal aid to education—we have probably lost that in terms of what has happened to the bond market in the past year.

We do support very strongly the truth-in-lending provision in your bill. We illustrated some cases related to farming and buying of cattle where the interest rates are very deceptively put forth in the advertisements.

We know one thing that wasn't in anywhere and we are not quite sure whether this fits in this bill or somewhere, but something should be done about these Christmas savings clubs where they don't announce any interest, and we hope that perhaps something could be done there to reveal the amount of interest paid. This is something most people are not aware of and many people get taken in by it.

Mrs. SULLIVAN. Is there any?

Mr. CARSTENSON. In the vast majority, none.

We do support and have supported for many years the standby emergency control provisions. We do feel that the 18 percent, if anything, is a little high. We would rather see it a little lower in terms of the maximum.

We don't have as much garnishment of wages in terms of farm families, but we know it is a problem and we do feel that something should be done to prevent the abuses that have been going on, and we were very much impressed by the testimony this morning, realizing that something must be done and should be done and hope the committee will include something on this in the legislation.