

The National Consumers' League is an organization 70 years old—it is in effect, a kind of elite organization which has been concerned with problems in this area for many, many years while the National Council of Senior Citizens which is a mass organization representing many very poor elderly people who are peculiarly oppressed by the evils of ill-administered credit arrangements.

I simply wish to commend these colleagues of mine to this committee and I will not take up any further time.

(The prepared statement of Mr. Hutton follows:)

STATEMENT OF WILLIAM R. HUTTON, EXECUTIVE DIRECTOR OF THE NATIONAL COUNCIL OF SENIOR CITIZENS, WASHINGTON, D.C.

Madame Chairman, my name is William R. Hutton. I am Executive Director of the National Council of Senior Citizens. It is an honor and a privilege to be associated with John Edelman who has been such a stalwart of the consumer movement for so many years.

As you have heard, the National Council's position on Truth-in-Lending calls for full and complete disclosure of the cost of consumer credit as President Johnson requested in his consumer message to Congress early this year. Members of the National Council of Senior Citizens are solidly behind H.R. 11601, the consumer protection bill backed by the charming and courageous Subcommittee Chairman and five other subcommittee members, Congressmen Henry B. Gonzalez of Texas, Joseph G. Minish of New Jersey, Frank Annunzio of Illinois, Jonathan Bingham and Seymour Halpern, both of New York.

Members of the National Council of Senior Citizens urge the House of Representatives to plug the gaping holes in the Proxmire Truth-in-Lending measure that has passed the Senate. We are particularly disturbed at the failure of the Proxmire bill to deal with charge accounts (revolving credit), first mortgage loans and credit transactions involving less than \$10 and garnishments.

Older Americans encounter all the consumer problems that plague the young and middle aged. In addition, they have special problems of their own.

With few exceptions, incomes of the elderly are fixed. The great majority of the 19,000,000 who are 65 or over live on social security. Approximately 15 per cent get industrial pensions in addition to social security but this extra income is often pitifully small. More than 60 per cent of those 65 or over have cash or other assets amounting to less than \$1,000.

The social security recipient getting \$84 a month—a little over \$20 a week—the average old age and survivors' benefit, or the couple getting \$126 a month—or a meagre \$31 a week, the average for recipient and spouse, must make every penny count. They want the biggest bang for their buck when they go shopping.

Millions of elderly frequently face the grim choice of getting enough to eat or paying for costly prescription drugs they need to stay alive. Those fortunate enough to own homes often have to choose between food purchases and spending for essential home maintenance. Many lonesome retirees must go without food and other essentials so they can visit their children or close relatives.

Our nation's accent on youth, which consigns even those 40 or 45 years old who become unemployed to the industrial scrap heap, forces the great majority 65 or over to live on a razor's edge of financial insecurity.

Today's retirees are the men and women who began their productive years during the Great Depression of the 1930's. For most of them, low wages and recurring unemployment have meant scandalously inadequate social security benefits.

Unlike today's wage earners, who can look forward to 30 years' uninterrupted employment and constantly rising wages promising top social security and money in the bank upon retirement, the elderly are by and large without adequate incomes and lack savings or other cash assets to see them through an emergency.

Because the elderly are so often without cash, they are more and more forced to rely on costly store credit. Every dollar exacted from them in exorbitant interest payments for credit purchases leaves them with one dollar less for food or medication.

The young may be swindled and outsmarted by conniving merchants and