

money in my pocket, but if I spent it I might be caught short at work, so I used my card," he says.

Some users of bank credit cards concede, however, that at least initially the new purchasing power went to their heads. That was the experience of a Buffalo cab driver who, together with his wife, has an annual income of "about \$7,000." Shortly after he got his card, he relates, "I bought \$300 worth of junk for my car in one month. My wife got so mad she took my card away for a while."

SEIZING PAY—UNIONS, FIRMS, LAWYERS SEEK TO CURB GARNISHING AS ITS INCIDENCE RISES—IT LEADS TO BANKRUPTCY, FIRING AND RELIEF ROLLS, THEY SAY; AUTO WORKER KILLS HIMSELF—DEDUCTING \$500,000 AT INLAND

(By James P. Gannon, Staff Reporter of The Wall Street Journal)

CHICAGO.—One payday in January, auto worker Carl W. Clark discovered his entire week's take-home pay of \$112.39 had been turned over to the state of Indiana for delinquent state income taxes. Beset by debts, he asked officials at Ford Motor Co.'s plant in suburban Chicago Heights, Ill., for his accrued vacation pay to tide him over.

Next payday, he learned Indiana—the state where he used to live—had received \$208.84 out of his \$363.93 in wages and vacation pay. The 24-year-old father of a young boy, not knowing how much he owed Indiana tax collectors, (the two deductions actually satisfied the claim) became despondent over the pay loss. Two days later, Carl Clark placed a .22 calibre rifle under his chin and shot a bullet into his brain.

This suicide has spurred anew wide-ranging inquiries into the consequences of consumer debt problems. Under special scrutiny is the rising number of wage garnishments and other forms of pay seizure by creditors, including state and Federal tax collectors. The spotlight on pay attachment also has illuminated a misery-multiplying debtor's course that runs from garnishment and loss of job to bankruptcy and going on relief.

The activity on pay-seizure problems is intensifying on several fronts. Labor unions are campaigning to restrict wage garnishment laws in many states. Legal experts are drafting a uniform consumer credit code that they hope will be enacted in each state. An Illinois Congressman is seeking legislation limiting the amount of wages that can be taken at one time to pay back taxes. And business and financial interests, anxious to avoid any image-blackening, are accelerating joint efforts to aid over-burdened debtors.

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The cause of the wage-attachment problem is overuse of credit, easy to find in America's debt-fueled economy. Consumer debt outstanding rose to \$86 billion in 1965, up 12% from 1964 and 50% from 1961. A convenience to most people, readily available credit is a curse to many others, who can't or won't use it wisely. They're the ones facing garnishment troubles.

Because wage garnishments are issued by thousands of local courts, there aren't any national statistics on their volume. But checks of big courts in some metropolitan areas indicate more and more workers are finding part of their wages confiscated to pay overdue debts.

In Chicago, the Cook County Circuit Court issued 84,513 garnishments last year, 15% more than in 1964 and 72% more than in 1961. The marshal of the municipal courts of Los Angeles County served 114,972 wage garnishments in the fiscal year ended last June 30, up 6% from the prior year, and garnishments there this year are running at an annual rate of 122,000. Court officials in New York, Cleveland and other big cities also cite rising garnishment totals.

The figures don't disclose the full extent of pay impounding. They don't include the huge volume of wage "assignments," which are legally distinct but similar in effect to garnishments. Under a wage assignment, a debtor pledges his future wages to repay the debt if he defaults; execution of the wage assignment doesn't normally require a court judgment, as a garnishment usually does. The garnishment figures also don't include tax levies, such as that in the Carl Clark case.

MR. REED'S FLIGHT

The records of Inland Steel Co. indicate how widespread wage attachment can be. Each payday the company makes such deductions from the paychecks of