"discharge should be used only when employee behavior affected the employer-employee relationship," and that "pay attachments were definitely in the twilight zone."

He was critical of civil law that permitted creditors, many of whom knowingly permitted workers to overbuy, to "wipe out the pay envelope" and even have a man discharged. Nevertheless, he and other arbitrators accepted the "just cause" principle, but have worked out a number of "reasonable rules" surrounding job loss.

One is the number of garnishments. Fisher reported that most arbitrators would not permit the firing of a worker for the first garnishment; many would permit two garnishments within a stipulated time. Three garnishments, however, appeared to be enough to warrant firing in most of the arbitration cases studied.

Another factor taken into account by arbitrators was whether a company had amply warned its workers of definite garnishment rules that may lead to discharge.

A third factor was whether a company was consistent in its policy toward garnisheed workers—that is it can't discriminate in the application of its rules.

Finally, other "extenuating circumstances" which resulted in the reinstatement of discharged workers were lack of knowledge of the debt; prompt payment of the debt; going into bankruptcy which extinguished the garnishment or a good working record.

Mr. HALPERN. I would like to welcome a very able, and no pun intended, and distinguished witness. He has been a credit to the labor movement and, in the short time since he succeeded an admired and outstanding predecessor, he has proved his ability as a respected leader of organized labor and is a potent and highly respected part of the American industrial and economic scene, and I welcome you to this committee and wish to commend you for your most superior and most helpful testimony.

Mr. ABEL. Thank you.

Mrs. SULLIVAN. We will take a few minutes recess at this time.

(Short recess.)

Mrs. SULLIVAN. The subcommittee will come to order.

Mr. Abel, I want to say that you have given a very clear and precise statement of your position on our consumer credit protection proposals.

You have made your position so clear that I don't have too many questions to ask of you.

Mr. Abel, Congressman Annunzio has introduced into our hearing record a letter from the board chairman of Inland Steel Corp. supporting the provision of H.R. 11601 to abolish wage garnishment, as a terrible annoyance and expense to the employer and a cruel thing for the employee.

From your knowledge of the steel industry and others with which you have contracts, would you say this is the prevailing sentiment of the employers you deal with?

Mr. ABEL. Very definitely I would.

As a matter of fact, perhaps Inland is more lenient with their views toward this problem than are most companies. Inland is one company that doesn't discharge their employees because of garnishments but many companies do.

Mrs. SULLIVAN. Do you know whether any of these companies have debt counsellors who help employees who get themselves into financial trouble?

Mr. ABEL. There is some of that in the personnel departments, but it isn't a large practice.