

all credit, if that would be more nearly the approach we are trying to get at in this legislation and in this bill?

Mr. ABEL. Mr. Congressman, there I would have to agree with the Secretary's view that this in itself is misleading. Because setting forth the 11½ percent a month certainly can lead people to believe that they are getting a break, and actually it is not the true fact. An 18 percent would certainly cause them some pause.

Mr. WYLIE. Except for the fact that we are trying to disclose an interest rate so that customers can compare or make comparison before making purchases. If one store says we use a 11½-percent interest rate and another says we have three-quarters of 1 percent interest rate per month, that would give a customer more of an opportunity to make a comparison of purchases than having one say we charge interest at a rate of 11½ percent per month and another at 9 percent per year.

Mr. ABEL. You can make comparisons, that is true. But certainly in our way of thinking, as we have looked at both banking, financing, and that sort of thing down through the years, the terms are on an annual basis. We talk about 6 percent per annum. We talk about returns on investment on the basis of per annum, not on the basis per month.

Certainly we feel that this should be kept on an annual basis.

Mr. WYLIE. Thank you, Mr. Abel.

Thank you, Madam Chairman.

Mrs. SULLIVAN. Mrs. Dwyer?

Mrs. DWYER. Thank you, Madam Chairman. Just one question.

First of all, I want to congratulate you for a very fine constructive statement, Mr. Abel.

Mr. Abel, as a union president what do you think is more meaningful to your steelworkers during contract negotiations, the annual percentage increase in salary in benefits or the dollars and cents increase in their weekly pay envelope? Which do they understand best?

Mr. ABEL. Well, that I am afraid would be difficult to give a truthful answer. Certainly everybody looks at the dollars and cents in the pay envelope.

But again, we have become accustomed to translating improvements in advancement on a percentage basis—there is a lot of comparison and a lot of thinking on the percentage part. A year or two ago there was much talk of trying to limit the improvement to 3.2 percent, you know, and now we hear talk of 5 percent. In some cases even 8 and 10 percent. So it is translated pretty much on a percentage basis. At the same time we are looking at the dollars, too.

Mrs. DWYER. Did the 3.2 carry much weight with the worker himself?

Mr. ABEL. I think so, more than a flat 5 cents an hour or 6 cents an hour or 10 cents an hour.

Mrs. DWYER. Do you think the wife who is interested in the pay envelope thinks in terms of percentage or does she think in terms of dollars and cents in the pay envelope?

Mr. ABEL. You always get down to the dollars and cents. Mr. Sidney Hillman said some years ago about organizing reports when they were reporting on increase in membership. He said, "Don't give me the percentages, give me the facts." So, no doubt, that is the case with the housewife—she is concerned naturally with the dollar because it is the dollars she is spending.