tells them "This will cost you $2.00 a week." That is all he can calculate, how much will it be a week. He doesn't know how many months, how many years, how much the service charges, how much he is paying for financing, nor will he ever understand what the garnishee will cost him and we can't explain it.

If we try to explain the garnishee and the cost involved in the garnishee, then we are part of that vast machinery that is bilking him, because how can you make a statement that when he bought something that originally cost $200, that now we should have a garnishee for $400.

It is impossible to explain that amount of interest, that the financing, that the initial fees, the legal fees, that all this has doubled the price of what he has bought and the price that he has paid in the first place has been exorbitant.

The price he has paid for the merchandise which he has purchased is far in excess of the true value of the merchandise that he has purchased.

The CHAIRMAN. You go right ahead, Miss Kronberg. Senator Kennedy will wait a minute, I think.

Miss KRONBERG. The garnishee as originally instituted was instituted as a humane method of keeping people out of debtor's prison, but that has long since outlived its usefulness and has become a terrible burden for the poor and only the poor.

The garnishee which was instituted in order to give the working person an opportunity of paying ten percent of his salary instead of having the entire salary attached has long since led to the greatest amount of cheating against the poor, the poor that work.

Outlaw the garnishee, I think, and it will make it unprofitable to maintain this entire establishment that sells in the first place to people who cannot afford what they are buying. In the second place, it would outlaw—and I think this is the most significant part of the entire piece of legislation, it will outlaw the door-to-door salesman.

These persuasive salesmen that take particularly housewives, lonely housewives, who have the opportunity to talk to somebody who flatters her, who persuades her that she can afford $400 worth of encyclopedias or a $60 laminated Bible, or some other piece of merchandise which she doesn't need, she cannot pay for, which is overpriced and which is going to lead her family into impoverishment, for a family of five or six or seven that has never even been led to the public library.

It will do away with this kind of salesman, because this salesman is a garnishee.

If this is the only thing, the threat of garnishee or the garnishee itself is the only thing that makes it feasible, reasonable for him to ring doorbells and get contracts signed.

I had an interesting experience. We have had hundreds of people over the years who on the day after they signed the contract for something they didn't need and wouldn't pay for, they realized, once the salesman had left, that this was a mistake, and they came running to us to see if we could cancel this contract, and every contract clearly states no cancellation of this contract once it is signed.

Well, we go through all of the motions to try to cancel the contract. Sometimes we are lucky and we can buy them back, we can buy them back. We pay, that is the person pays $20 or $10, or more, depending on the size of the purchase.

No delivery has yet been made, no machinery booking or anything has yet taken place.

But in order to get a contract cancelled, when it is possible, the person has to pay something in order to get it back.

But I have one interesting experience. I got a contract cancelled a couple of weeks ago with great ease, and when I got through I wondered what I had said that was different this time from what I had said all the other times to the company I had tried to get the contracts cancelled with.

It was an encyclopedia book company. I made the same pleas, the lady is illiterate, she can't read, she was talked into it. But I had said one more thing. I said this lady is on Social Security, and the difference was that this lady did not have wages that could be garnished and so the company was perfectly willing to cancel this contract, because they couldn't collect.

The only time that they are adamant is when they know they hold the club of garnishee over the purchaser.

We have been trying for a long time to get legislation passed that would alleviate the paying of purchases with garnishees, installment contracts.