one should "buy term and invest the difference." I have read many of these things. I am familiar with the arguments of the hecklers, and I have long been familiar with the amount of life insurance loadings, but I have most of my own savings in permanent life insurance. Needless to say, I have paid the full loadings on all my purchases of life insurance. Although I am fairly good most of the time at self-discipline and am not poverty stricken, I am as susceptible as most people to the urge to spend everything that comes in and, therefore, the forced savings aspect of life insurance is of real substance to me.

I am utterly sincere when I say, as an individual and not just as an expert witness, that the far-reaching implications of the attack in this proposed legislation on the whole concept of sales commissions concerns me deeply.

Let me explain that briefly, Mr. Chairman. You may be wondering why I talk so much about life insurance and what these implications are that I am referring to.

In my opinion, if the Congress of the United States takes the position that the front-end load principle is immoral and indefensible, it has implications far beyond this bill. It strikes at hundreds of thousands of salesmen who earn their pay under front-end load plans. A major portion of those salesmen are life insurance men.

If Congress says this type of compensation is improper and unjustifiable, other regulatory agencies, including those having jurisdiction over insurance, are liable to decide that they need to take action.

For years I have tried to do my bit in defending the salesman against those who seem to be saying he does not play a worthwhile or justifiable role in our society; in defending him against those who would just as soon drive a lot of salesmen with low or moderate incomes completely out of business.

We are moving here, it seems to me, to a form of paternalism that demeans the rank and file citizen. This bill seems to say to John Doe that even when all the facts and figures are disclosed to him, he is not to be trusted to make an intelligent choice among alternatives—that he must have the choices limited by a Government agency that decides what is good for him.

I cannot buy that. Even the Washington Post cannot buy it.

I do not think we are ready to read salesmen, who sell on commission, out of our society.

Thank you, Mr. Chairman.

Mr. Moss. Mr. Day, let me tell you something. I was in selling as the first effort at making a living, and I sold on commission for a long time. I was a sales broker before coming to the Congress. I have no desire to drive them out of business, but I must candidly state that I am most singularly unimpressed by your statement today.

I think that it has not constructively dealt with the subject before us. The fact that you have an outrageous turnover in the insurance industry does not convince me that it is justified, and there are very thoughtful persons in the industry, leaders in the industry, who feel that the failure to come up with a more workable system of compensation, not the level, the level attracts them, but the need to better compensate them during an inadequate period of training, and to improve the agency system so that the whole philosophy is not to go out and recruit so that you have, we will say 25 percent are coming, 50 percent