

by overlapping certain of the functions, we feel that an inquiry as extensive as this would require 24 months.

I would suggest, therefore, that section 1(b) be appropriately modified to extend the date for the submission of a final report.

The resources needed to conduct the insurance study will consist of a central core of Government staff experts and nongovernment specialists. Other persons with experience and specialized competence will be employed from time to time.

We expect, in particular, to work closely with the able staff of the Federal Trade Commission. Their competence in the field of economic and market analysis is widely respected. We have already been in contact with Chairman Dixon and members of his staff.

In addition, I would expect the appointment of several full-time nongovernment experts. They would be associated directly with the Office of the Secretary of Transportation and would work closely with my own staff as well as with the other departments and agencies which would form the Interagency Advisory Committee established by section 4 of the joint resolution.

Although the resolution does not explicitly require it, section 2(4) authorizes the appointment of advisory groups. Section 9(o) of the Department of Transportation Act contains similar authority.

Pursuant to these sections, I plan to appoint an advisory group or groups composed of representatives from the insurance industry, other business groups, labor, appropriate professional organizations, State insurance commissions, and from consumer and other public organizations.

Their views and advice will be extremely valuable and I would fully expect to make regular use of these consultative groups throughout the study.

Estimates of cost are extremely difficult to make at this early date. Based on our experience with other large research projects and our review of the work of a number of national commissions appointed in recent years, we feel that our expenses could approximate and perhaps exceed \$2 million. Most of these costs would be incurred for the full-time staff and the compensation required to support field surveys throughout the country.

However, consultants will also be required, contracts may have to be let to deal with certain particular problems, some data processing will be required, and government employees detailed to the Department will have to be reimbursed.

All of this adds, in our judgment, to an amount that could be at least equal to the authorization contained in section 7 of the resolution.

Given this, I would suggest that the precise dollar amount identified in section 7 be eliminated and that an open-ended authorization be substituted.

Let me conclude by stressing once more the urgency and vital importance of a comprehensive study of our entire motor vehicle accident compensation system.

As President Johnson said earlier this year:

We must move now to streamline the automobile insurance system to make it fair, to make it simple, and to make it efficient.

The Department of Transportation stands ready to carry forward the study called for by the President and authorized by House Joint Resolution 958.