have not solved all of the problems of compensating victims of automobile accidents in a perfect way, is in our judgment, not surprising. The industry's good name is a part of our concern, and so our support of the resolution is based on the premise that while we have not been perfect in our efforts, the evidence will show that the industry, company and agents alike, has made very valiant efforts to cope with a sky-rocketing problem, arising largely from circumstances beyond its control. We refer to the statistics in your statement of December 14th to the effect that there have been 1.6 million people killed since the coming of the automobile, that over 50,000 will die this year and that 100,000 will die in 1975 unless the death rate is arrested. Without suggesting that we have done all that we might, we do suggest to you that here is the root of the problem and we cite these figures to support our proposition that this study should include the efficacy of safety regulations at both the state and federal level.

We feel free to offer this comment, Mr. Chairman, because we were perhaps the first national organization to support the national traffic and Motor Vehicle Safety act of 1966, which gave to the secretary of Transportation authority to establish safety standards for automobile vehicles and the companion measure which was designed to assist state governments in upgrading highway design standards and driver licensing and training requirements.

We would be the last to criticise the necessarily slow pace of the programs under these laws and we are glad that they are slow enough to be prudent and wise, but we suggest that their effectiveness can have a very direct bearing on this study and on the need for such changes (if any) as may appear desirable in the present compensation system. We would cite to you the efforts of the Insurance Institute of Highway Safety, which we have always supported and continue to support, but we know that much will be said about that from other sources, since it is financed by all of the insurance companies.

In offering the support of our association, Mr. Chairman, we suggest that ours is an organization of approximately 17,000 independent agents, very close to the grass roots reaction of the problem cited by your resolution. These are home town agents, integral parts of their local societies and economies and a very basic part of our American free private enterprise system. While generally speaking, insurance companies will be the source of information and assistance of a technical nature, it is our view that our members may by virtue of their intimacy with the local problems be helpful to the Department of Transportation in this effort.

May we suggest that we are concerned at what sometimes appears to be a wholesale condemnation of the existing tort liability system. It is not perfect, but it has served the insuring public for a great many years and it has not yet been demonstrated that the system per se is at fault. We do not necessarily take the position that no other system will do the job, but we suggest that an improvement of the existing system could well be a much more desirable approach to the problem. Its basic principles are tried and proven over many years. As a result the procedures and institutions under which it functions are established and understood. If our court system does (as is sometimes alleged) become inefficient, who among us would say that we should discard the system? It is our tentative thinking that we might best repair the house rather than tear it down.

Finally, Mr. Chairman, let me suggest that our membership has a great stake in the results of this study. We too are citizens. We too are members of the public. We too have dedicated our lives to serving the members of the American public with professionalism and with fairness. If we are to continue to do our job well and to improve on it by overcoming some of the difficulties which have grown up as this phenomenon visited itself on us, then whatever changes if any are made should take into consideration the very unique fiduciary relationship of an agent to his policyholder, which has characterized our business for many years. If we have not been perfect, we think it can be said that there have been no major scandals in our business for many, many years, and the few that did trouble us many years ago were not related to the automobile insurance business. We have been regulated by the legislatures, we have been adjudicated by the courts and we are now being tried by public opinion. This is fair enough for an industry as large as ours, but we ask that our membership have its day in court before your committee at such time as the final report is made as well as during its completion. It is important to our 17,000 members, their approximately 50,000 employees and the literally millions of policyholders they serve.