Mr. Moss. I am pleased at this time to welcome a colleague from our full committee, the Honorable John Dingell. Please proceed as you see fit, Mr. Dingell.

STATEMENT OF HON. JOHN D. DINGELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. Dingell. Mr. Chairman and members of the subcommittee, for the record, my name is John D. Dingell; I am a Member of Congress from the 16th District of Michigan. I wish to thank the Chair and subcommittee for giving me the opportunity to testify in behalf of House Joint Resolution 958.

Mr. Chairman, I wholeheartedly endorse and urge prompt passage of House Joint Resolution 958, which would authorize a much-needed and long-overdue comprehensive study of automoblie insurance practices. As you know, the President in his consumer message last month recommended that the Department of Transportation, in co-operation with the Federal Trade Commission, undertake an investigation of the automobile insurance industry.

The pending bill provides for just such a study, under the direction of the Department of Transportation, but with the full cooperation of other agencies, including the Federal Trade Commission.

The problems of the automobile insurance industry, and of more and more Americans with the industry, are mounting daily. Time in its January 26, 1968, issue headlined its "Time Essay" of that week, "The Business With 103 Million Unsatisfied Customers." In this essay it is stated that "there is no question that the U.S. auto-insurance system is a model of expensive inefficiency." In 10 years the average premium has gone up 55 percent. The cost of automobile insurance for many families, especially those with teenage drivers, has become almost prohibitive—but at the same time practically unavoidable as well.

Yet in spite of these skyrocketing rates, insurance companies have been facing growing losses. Car repairs keep getting more and more expensive, but medical costs and bodily injury claims have been rising even faster. And in their efforts to protect their investments, one company after another has taken advantage of policyholders, canceling policies with little or no justifiable cause and raising rates on others. Claims, particularly those involving court action, are taking longer and longer to process and are often far from satisfactory in their resoultion.

Many proposals have been put forward to resolve these critical problems, ranging from having the Federal Government get directly into the automobile insurance business to revisions of private insurance so the victims, rather than negligence lawyers and other middlemen, become the true beneficiaries of insurance. Of course, we must also intensify our efforts to prevent these costly accidents which are the main reason for the insurance predicament we find ourselves in.

Under the traffic safety and automobile safety laws passed in 1966, the Department of Transportation is already engaged in efforts to promote the safety of our highways and of our automobile vehicles. It is highly appropriate, therefore, that the Department undertake a study on automobile insurance and all related aspects of accident com-