pens to the price level, there are going to be more cases of small damage than large damage. Cars go through the street, they scrape, they touch, they bang.

It is simply in the nature of the physical facts that there are always going to be immensely more of the small cases than the large cases. So I am sure the absolute amounts will go up and although I don't have up-to-date figures, I believe this is what you might call sort of in the nature of the statistics, just like you have illnesses, people lose 1 day. You will find 10 times as many people losing 1 day of work as lose 5 days. You will find 10 times as many people losing 5 days as 50 days.

Mr. GUTHRIE. When you first began your statement you evidenced some satisfaction that there was no question being raised as to whether this was going to be approached at the Federal level or not.

Do you think that the problem that exists in the auto insurance industry today can be approached at the Federal level and resolved effectively there or must it also be approached at the State level?

Mr. CONARD. I understand, you are asking about the regulation of the insurance industry as distinguished from the regulation of negligence liability. Is that correct?

Mr. GUTHRIE. Yes, sir.

Mr. CONARD. I do not feel myself qualified to talk about the regulation of the insurance industry and its adequacy or inadequacy at the Federal level.

I am generally, I would say, favorably disposed to it. It seems to me a reasonable step but I do not claim any expertise on this subject.

Mr. GUTHRIE. Thank you.

Mr. MOSS. Before concluding the discussion of your presentation, I would like to observe that you have stimulated the types of questions which I think illustrate the need for the study proposed.

Your presentation is an excellent one and it raises as many questions as it answers. I think that was typical of the presentations yesterday. I hope that it continues to be the thread of the presentations today because in careful consideration given the subject by me, and I know by Senator Magnuson, we reached the conclusion that we had far too few answers to proceed to solve the problems. That is why the study was recommended.

I have no questions at this point.

I want to express the appreciation of the subcommittee for your appearance and for your cooperation.

Thank you.

Mr. CONARD. Thank you very much, Mr. Chairman and Mr. Guthrie.

Mr. MOSS. Mr. Vestal Lemmon, president of the National Association of Independent Insurers.

Mr. Lemmon, do you desire to summarize your statement?

Mr. LEMMON. I am going to sketch through it. I have marked out part of it.

Mr. MOSS. Would you like to have the entire text inserted immediately following your oral presentation?

Mr. LEMMON. Yes, sir.

Mr. MOSS. Is there objection?

Hearing none, that will be the order.