

We have heard Federal officials, foreign insurance leaders, Governors, big city mayors, non-member-company executives, newsmen, and spokesmen for independent agents' groups.

Little wonder that at the close of our annual meeting last fall, Robert F. Jones, associate editor of Time magazine observed:

The scope of your interests, as reflected in the speaker's roster, was genuinely engaged; you neither seek comforting, pat answers to the Nation's problems, nor do you turn deaf ears to harsh ones.

The problem areas that I have capsuled today, Mr. Chairman, represent the most urgent matters that have been confronting our industry. They cover most of the grievances and irritants that have concerned you and this committee. They required action. We acted.

Now we must look at the system under which we are operating. This problem does not lend itself to quick decisions. It is too complicated; it is too steeped in the law and the rights of the individual. It requires exhaustive study and deliberation such as is contained in the Department of Transportation proposal. Hasty action could cause irreparable damage.

We are hard at work in this area, too, and will have some tangible contributions to make.

Expert committees of our association are well advanced on investigatory studies. We are participating in experiments which should produce meaningful data. Within the past month, we entered upon a research project with the University of Texas which we hope will be of widespread benefit to every one who is critically examining the present system.

The fund we established at the University of Texas will enable independent researchers there to expedite a project on which they are already embarked pertaining to the problems surrounding the compensation of auto accident claimants. We want to encourage independent, objective research and thinking in this whole area which is of such vital concern to the American consumer and to our business.

In addition, a study committee of our association has approved in principle plans to experiment with a program addressed directly to major criticism of the automobile accident reparations system.

While final details of this experiment have not been worked out, a tremendous amount of research and deliberation has already gone into the preparations for the project, and valuable data has been assembled.

The major benefit of this work and these studies is that hard facts and experience on which to base future decisions will be available. I am thinking especially of public acceptance and reaction, cost factors, and similar test objectives.

We believe the results of such experimentation will be extremely helpful to this committee, to the Federal agencies which would implement Senate Joint Resolution 129, and to our business.

In conclusion, Mr. Chairman, could I respectfully call the attention of the committee to just a few of the factors that combined to put this business in its present position. I am speaking of the socioeconomic forces with which we have had to contend.

At the end of World War II, the motor vehicle registrations in this country totaled an estimated 34 million. Today, that figure is estimated