

Mr. TRUDEAU: Because traditionally the automobile rate charge has been constructed on a basis of new cars, late model and older, and even though we might occasionally have a new car transaction where the individual might have paid an 80 per cent downpayment and produced something on a \$500 basis, you have such an unusually good credit position then that you do not start to worry about whether or not that particular transaction will contribute its proper share of the fixed overhead on a fixed unit basis. You just take it. This is the way automobiles have always been merchandised. As you get into the other goods, they usually think in terms of around a 12 per cent add-on. (\$12 per \$100 per annum). I think that is what it is in New York State. That would be a fair enough deal.

Now, the problem you run into with the 12 per cent add-on is that I think they have already introduced something else, that they do not regulate the small balance, or that they permit a \$50 or \$25 minimum charge.

Co-Chairman Mr. GREEN: Thank you for your help and your attendance here, gentlemen. I hope you will not feel that you have been the accusers here, in a free system, the advertising system, which seems to bring out the facts and information more effectively than anything else. We are seeking help assiduously and sincerely and assure you that your presentations have been very helpful to us, Mr. Saunders.

Mr. SAUNDERS: Thank you very much, Mr. Chairman.

The committee adjourned.