If the bill manages to pass, it will be despite the food industry, whose formally coordinated national lobby has thrown its weight behind the proposals and has worked hard to see that it is not defeated anywhere. The opposition of the Grocery Manufacturers Association, a powerful player in state and national lobbying, was led by trade press and national, regional and state conferences. Most formally, the GMA, which links more than 100 national food-processing trade associations, supported by allied industries, that sell in supermarkets and, of course, the advertising industry. Supermarket News described their lobby thus: "Grocery manufacturers descended on Washington last week and in a VIP tour of the Senate Commerce Committee blasted the truth in packaging bill in a converted bid to kill the administration-backed legislation." They lobbied individual Senators. They lobbied in the trade press, to the NCFM, that also managed to kill, or postpone, some State truth in packaging bills, e.g., in California.

The latest threat is a campaign to help the NCFM get an accurate picture of the food industry. To finance it, the GMA is dipping into its own kitty and also passed the hat around the food media, applying a little pressure to keep the contributions flowing. James Patton, president of the National Farmers Union, has condemned the whole effort as misleading, deplorable, and filed a complaint with the Department of Justice.

Two massive campaigns aimed at the public in 1984 and 1986, define the message that "food is a bargain." This industry spends a billion dollars a year to advertise its product, and for this it also expects some editorial coverage. GMAs president suggested to the publishers that the day was not yet here when the advertising media and business departments might better understand their role in helping the public to realize what they had contributed to the operation of results of their company, and that their operations at the consumer the bread and butter. First response by an unemployable warning was a Look magazine article (January 29, 1985), that was almost blatant propaganda for the food industry. Follow-up comment by another GMAs president that several newspapers of the day; neither did several TV appearances for which he was scheduled, nor an article by William D. Esbel, supporting the bill, and due to be reprinted in the New York Times after the fighting on. Against these efforts, the consumer lobby is pungy. Lack of time, money and organization, it has made little or no attempt to coordinate the efforts of local consumer councils with national organizations like Consumers Union, National Consumers League, Cooperative League of the U.S.A., AFL-CIO, and the American Home Economics Association. If the bill manages to pass, it will not be mainly due to consumers' efforts. The encouragement that the opposition appears to be behind the bill—a point that was made by Mrs. Peterson last November to the Association of California Consumers, and figures strongly in Mrs. Peterson's remarks at a consumer conference in New York last December.

Also pending in Congress is a truth-in-lending bill, which, if anything, is even more unpopular with the business community, truth in packaging may pass after all.

THE VOTING PRIVILEGE OF MILITARY PERSONNEL IN HAWAII

Mr. INOUYE. Mr. President, I am happy to be able to report to you and my colleagues that the State of Hawaii has now accorded full voting rights to qualified military personnel stationed in Hawaii.

The legislation was sponsored by a Democratic State administration led by Governor John L. Waihee III, who signed the law on June 2, 1986.

In signing the bill, Governor Burns encouraged military personnel in Hawaii to take advantage of their newly acquired privileges and to participate fully in all community and civic affairs.

Military personnel on leave for less than 30 days must meet a 1-year residency requirement and must declare Hawaii as their legal residence.

CONSUMER ASSEMBLY, 1986

Mr. DOUGLAS. Mr. President, representatives of 32 national organizations with nearly 50 million members will gather at the Washington Hilton Hotel in Washington April 26 to 27 for Consumer Assembly 1986. This will be the first nationwide meeting of organizations working for the interest of the U.S. consumer.

The sponsors of Consumer Assembly have honored me with an invitation to discuss my truth-in-lending bill, S. 2275. I welcome this opportunity to discuss the cost of consumer borrowing and our greatly inflated consumer debt.

The cost of consumer debt is now over $86 billion and mortgage debt on nonfarm family homes is now $85 billion, for a total of $171 billion. This is close to the size of our national debt and our greatly inflated consumer debt.

Part of my concern over our consumer debt arises from the fact that the men and women who owe it pay, at minimum, a whopping $22 billion a year in debt service and finance charges. That is double the annual debt service on the entire national debt. With interest costs rising, it is likely to increase. On the $50 billion of short- and intermediate-term consumer debt, consumers pay $11 billion in finance charges.

While some express great worry over the national debt if the fighting continues in Vietnam, we also should be concerned and do something about our consumer debt. We can help keep it within safe bounds by alerting the American people to the often exorbitant cost of consumer credit.

The truth-in-lending bill I have sponsored would require lenders and merchants extending credit through charge accounts to notify the borrowers in plain language, before a loan contract is signed or a sale is completed, of the finance charges they must pay and what amounts to expressed as an annual rate to be charged.

This would seem a reasonable thing to expect but powerful opposition has prevented passage of truth-in-lending legislation since its inception.

The need for truth-in-lending legislation has been evidenced at congressional hearings over many years. These hearings show that borrowers and buyers are often ignorant of the true cost of credit.

For example, a family charges $700 worth of purchases at a store. The seller may tell the family there is a small service charge without specifying the charge.

Without knowing it, the family may have to pay 18 to 38 percent a year in finance charges on this type of credit.

The hearings which the Production and Structural Finance Committee conducted at the time of the 1963-64 showed the widespread misunderstanding of the cost of buying on time.

For instance, a Manhattan housewife bought a couch for $500 from a house-to-house salesman. She agreed to pay $120 over 12 months. She thought she had made a good buy, but her total finance charge was $354 or $24 more than the cost of the couch. The finance charge rate, amounting to 107 percent, was of course never mentioned when the couch was sold.

A Jersey City man testified he bought a TV set for $129.86. The seller gave him a coupon book calling for 24 payments at $17.50 a month. This amounted to an annual rate of 229 percent. The buyer testified he had to keep his payments under threat of losing his job.

In 1985, a case was brought in federal court for $1,000 from a loan company. The interest rate would be 4 percent, he was informed—the true interest rate was 25-1/2 percent. Had he known what the true interest rate would be, this witness said he would have sought better terms from another lender.

Truth-in-lending legislation would leave no doubt about the annual rate being charged in any of these instances. It would give consumers the truth about the cost of borrowing and so would permit them to shop for the best credit bargain.

In a period of high interest rates, it would permit them to make a rational decision to, perhaps, defer a purchase.

A great deal is heard these days about inflation and how it will affect the national debt. I am concerned, and my friends who worry about the national debt should be concerned, too, about our inflated consumer debt.

President Johnson has endorsed the principles of truth in lending, and I am grateful for his support. It shows that the President is concerned, as I am, about our national debt and our consumer debt.

Consumer Assembly 1986 should result in greater understanding of the dangers of deception and insufficient disclosure of information to consumers. I look forward to the conference and I congratulate its sponsors.

A CRISIS IN AMERICAN MERCHANT SHIPBUILDING AND AMERICAN MERCHANT SHIPBUILDING

Mr. MASON. Mr. President, the hopes, dreams, and fears held by many responsible maritime leaders regarding our aging merchant marine were given voice in New York City recently by a shipping executive who would like more progress in this field.

Daniel D. Strohmeier, vice president, Bethlehem Steel Corp., made several significant points while addressing the 100th anniversary dinner of the Marine Society of the City of New York.

I ask unanimous consent that Mr. Strohmeier's speech be printed in the Record.