

CLEMENT W. GAMBLE
101 WARM SPRINGS AVENUE
BOISE, IDAHO

May 3, 1951.

Mr. M. S. Eccles
c/o Federal Reserve System
Washington, D. C.

Dear Marriner:

I finally got around to reading, and re-reading, your prepared statement before the Joint Committee on the Economic Report in its hearings on the President's Economic Program.

I am in accord with all of the thoughts which you have set forth, particularly regarding the matter of requiring insurance companies, savings and loan associations, farm labor, educational and religious cooperatives to pay income taxes. You state that by taxing the above named the government would receive as much as three billion additional income. I think this statement is conservative and it seems to me, from what I know of merchandising cooperatives, there is no valid reason why these organizations should be exempted. I am also of the opinion that the tremendous investments which have been made by various religious organizations in office buildings, etc. should not be exempted.

Relative to wage and salary ceilings. According to Eric Johnston these have been established, but recent reports indicate that such is not the case, in some industries at least.

It is my belief as long as we have price ceilings we must have wage and salary ceilings, one will not work without the other.

There is another matter relative to our present wage levels which is giving us some concern at the moment, and that is the federal government, Army, Navy, and the various agencies are hiring truck drivers, stenographers, etc. and in all cases the starting wage rate is far above what these same people have been getting under our present wage rates, which are supposed to be frozen; we have lost a number of people who migrated here and there to work for the government - I find that this situation prevails all over the country.

Judging from many press dispatches there are literally thousands of people migrating to Washington to enter the government service - perhaps I should say hundreds of thousands; this is going to cost the tax payers a lot of money and I believe much of the civ-

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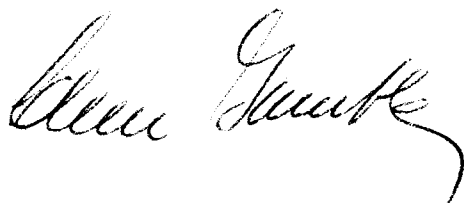
M.S.E.

ilian personnel hired by the federal government in recent months is not altogether necessary.

Will be back in Washington on the 19th of this month, staying at the Shoreham. Hope to meet you while I am there.

With very best regards, I am

Yours truly,

A handwritten signature in cursive script, appearing to read "Clement W. Gamble". The signature is written in dark ink and is positioned to the right of the typed name "Clement W. Gamble".

CWG: C