

FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON

November 20, 1946.

Honorable Marriner S. Eccles, Chairman  
Board of Governors  
Federal Reserve System  
Washington, D. C.

Dear Marriner:

Supplementing our letter of October 23, I thought you would be interested in the enclosed photostate copy of letter dated November 12 from our Supervising Examiner in New York to Mr. Vance L. Sailor, Chief of our Division of Examination, and the exhibit referred to therein. These enclosures are self-explanatory.

Very truly yours,

(Signed) Maple T. Harl.

Maple T. Harl,  
Chairman.

FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON

October 23, 1946

Honorable Marriner S. Eccles, Chairman  
Board of Governors of the Federal Reserve  
System  
Washington, D. C.

Dear Mr. Eccles:

I hand you herewith a photostated copy of a letter dated October 11, 1946, to Mr. Vance L. Sailor, Chief, Division of Examination, Federal Deposit Insurance Corporation, from our Supervising Examiner in New York City, Mr. Neil G. Greensides. Said letter, together with the photostated copy of the handbill mentioned therein is self-explanatory.

Because of the suggestion made by Mr. Greensides, I thought we should have a conference at an early date with the Honorable John W. Snyder pertaining to this all-important matter. Please advise me your wishes in same.

Cordially and sincerely,

(Signed) Maple T. Harl

Maple T. Harl  
Chairman

Enclosures



FEDERAL DEPOSIT INSURANCE CORPORATION

SUPERVISING EXAMINER  
SECOND FEDERAL DEPOSIT INSURANCE DISTRICT  
14 WALL STREET  
NEW YORK 5, N. Y.

October 11, 1946

Mr. Vance L. Sailor  
Chief, Division of Examination  
Federal Deposit Insurance Corporation  
National Press Building  
Washington 25, D. C.

Dear Mr. Sailor:

Starting in August the Bankers Trust local of UOPWA-CIO has periodically distributed handbills to persons entering or passing this building and designed to create sympathy for those few segments of the employee group which are unionized. These bulletins have been phrased, of course, in the provocative style which appears to be an integral part of union tactics but nevertheless would not probably create unrest amongst depositors at this time.

However the bank offices were picketed one day by a double line of pickets covering the entire block, the pickets all having been drawn we understand from other unions. Each marcher carried a placard expressing sympathy and support for Bankers Trust employees. The line was noisy and attracted a large crowd but did not interfere directly with people entering the building. Considerable confusion was created of course and in troublesome times an adverse effect upon the bank might have resulted.

Yesterday there were distributed handbills as per the copy attached which refers to surplus and contingency reserves and makes implications concerning officers which we believe might very well inflame a public during a period less favorable than the present. We do not submit this copy with the thought that we should initiate measures regarding such references and implications at this time, but rather for consideration as to whether our Law should not incorporate some provision designed to restrain generalized assertions which unwarrantedly reflect upon an insured bank, in anticipation of a time when such demonstrations or circulars may be dangerous to the banking system and our function.

Very truly yours,

*Neil G. Greensides*

Neil G. Greensides  
Supervising Examiner

NGG:H  
Attachment

# How Big Is Your Surplus?

The reports just issued by the banks for the third quarter of 1946 shows "surpluses," "undivided profits" and "contingency reserves" running into astronomical figures.

## Are Our Salaries A "Contingency"?

Evidently not. The raises recently granted by some banks under the pressure of union organization are peanuts compared to our desperate needs. For whom do the banks set up "contingency reserves"? Apparently not to meet our plight.

**BANKERS TRUST** is a blatant example of the way financial establishments are abusing their employees.

After coming through 1945 with a measly \$110,000,000 in surplus and undivided profits, and in spite of the fact that it added another \$700,000 to this "extra" money in the third quarter of 1946, **Bankers Trust is resisting its employees' demand for an adequate raise. We're asking for 40%.**

A 40% raise may sound very big to Mr. S. Sloan Colt, president of Bankers Trust and to the Board of Directors: Philip Reed of General Electric, John J. Raskob of DuPont, G. A. Sloan of U. S. Steel, James G. Harbord of R. C. A. and others.

A 40% increase on top of what these gentlemen earn would run into five figures. It would mean a fourth or fifth limousine, an extra yacht, another summer residence.

But to the bank worker earning \$40 or \$44 a week, it means \$16 more—not for trimmings, but for rock-bottom necessities: a new suit or dress, another pair of shoes for the kid, the next insurance premium.

Who's being unreasonable? Bankers Trust employees, or the men who already earn close to the hundred thousand mark, not counting bonuses and dividends, and who say "no—no raises!"

## ALL THROUGH THE STREET IT'S THE SAME STORY . . .

Huge, unprecedented profits for the banks—sums that stagger the imagination. Nothing to stagger the employees except the smallness of their pay.

The great banks and brokerage firms won't pay their employees a decent living wage of their own free will. They must be compelled to do so.

Nothing is going to be handed to us. We shall have to fight for these things, and win them, through our unity and the strength of 6,000,000 other organized Americans.

We can do it, and we will. **JOIN TODAY!**

Mail to: **UOPWA, 30 E. 29th St., N. Y. 16, N. Y. — Strictly Confidential** Your name is revealed to no one in the bank.

I would like to meet a union member to discuss this further.

I approve of the drive by the United Office and Professional Workers of America, CIO, for increased pay for financial employees. I hereby authorize the UOPWA, CIO, to represent me for the purpose of securing a salary increase and other improvements in working conditions.

Signature.....

NAME (print)..... HOME ADDRESS.....

DEPT..... POSITION.....

EMPLOYER..... BUSINESS ADDRESS.....



OFFICE OF THE CHAIRMAN

FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON

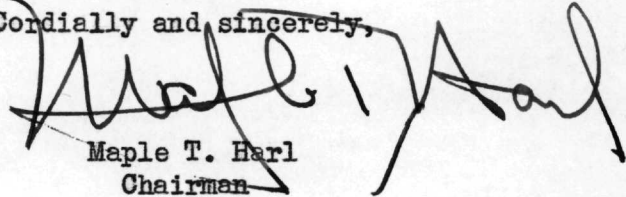
October 25, 1946

Honorable Marriner S. Eccles, Chairman  
Board of Governors  
Federal Reserve System  
Washington, D. C.

Dear Mr. Eccles:

In compliance with the telephone request from your office, we are enclosing two additional photostat copies of letter of October 11 from Mr. Neil G. Greensides, Supervising Examiner for the FDIC in New York City, together with the handbill mentioned therein.

Cordially and sincerely,



Maple T. Harl  
Chairman

Enclosures

October 31, 1946.

Honorable Maple T. Harl, Chairman,  
Federal Deposit Insurance Corporation,  
Washington, D. C.

Dear Mr. Harl:

This is to acknowledge your letter of October 23 enclosing a photostated copy of a letter dated October 11, 1946, to Mr. Vance L. Sailor, Chief, Division of Examinations, Federal Deposit Insurance Corporation, from your Supervising Examiner in New York City, Mr. Neil G. Greensides.

This question of organizing employees of private banks and of invoking the pressure methods of strikes and picketing raises such very important questions relating to the public interest that I should welcome an opportunity as promptly as possible to discuss the subject with Secretary Snyder and yourself, as you suggest. Meanwhile, I have taken the matter up with our Counsel and staff in a preliminary way.

Sincerely yours,

M. S. Eccles,  
Chairman.



FEDERAL DEPOSIT INSURANCE CORPORATION

SUPERVISING EXAMINER  
SECOND FEDERAL DEPOSIT INSURANCE DISTRICT  
14 WALL STREET  
NEW YORK 5, N. Y.

November 12, 1946

Mr. Vance L. Sailor  
Chief, Division of Examination  
Federal Deposit Insurance Corporation  
National Press Building  
Washington 25, D. C.

Dear Mr. Sailor:

As you have perhaps noted in the press last week, this City has the dubious distinction of having put on the first bank employee strike. The incident occurred at the Merchants Bank of New York and lasted for about two and one-half days. In celebration of the union victory the enclosed bulletin was passed out in the financial district this morning for the purpose of encouraging employees to join the union.

For the past several weeks a very persistent and highly publicized drive has been under way in the financial district. For several days on end a sound truck was parked either in front of the Stock Exchange building or J. P. Morgan & Co., and the people in the street were harangued during the luncheon hour. Undoubtedly some progress is being made, although it is believed that bank employees generally are reluctant to consider unionism as the answer to their troubles.

Union membership presently is largely confined to the guards, messengers and elevator operators, but as this segment receives pay increases it throws the salaries paid to tellers, bookkeepers, secretaries, etc., out of line and creates dissatisfaction which in some cases has not been dissolved through prompt adjustment of their pay scales. However, within recent weeks there have been announced revisions of the pay scales for several of the banks, and when this movement has been completed throughout the City the agitation on the part of the unions will undoubtedly subside.

Very truly yours,

*Neil G. Greensides*

Neil G. Greensides  
Supervising Examiner

NGG:H  
Enclosure

# UNION WINS AT MERCHANTS



Signing the contract at City Hall settling the first bank strike in the city's history are: seated, from left to right, Mr. Howard Markel, President of Merchants Bank; Mr. Theodore Kheel, Associate Director of the Mayor's Labor Relations Committee, and Mr. Peter K. Hawley, Executive Director of Local 96. Standing, Mr. Harold Dublirer, attorney for the bank, and Mr. Leon W. Berney, Vice-President of the United Office and Professional Workers of America.

Merchants Bank union members have won a smashing victory.

The first bank strike in American history lasted just 2½ days and brought employees the following sensational gains:

Every employee will receive a raise, of not less than \$36 a month; some will receive as much as \$80 a month increase.

The starting salary for the least skilled job, previously \$23, is now \$32.

Overtime after 7 hours a day.

Weekly pay days.

3 weeks' vacation after 5 years' service.

Employees elected grievance and arbitration procedure; correction of salary inequities.

Retention of all existing privileges.

Modified union shop.

The strike was precipitated by stubborn refusal of management to give fair consideration to union members' proposals for increased pay and security.

All strikers went back to work following unanimous approval of the settlement; they go back without prejudice and will receive full pay for the time lost in the strike.

## Read All About It!

THE NEW YORK SUN, FRIDAY, NOVEMBER 8, 1946.

### MERCHANTS BANK STRIKE SETTLED

Settlement of a strike against the Merchants Bank of New York was announced today by the bank and by the Financial Employees' Guild, local 96, United Office and Professional Workers of America, C. I. O.

The strike, which began Wednesday morning at the bank's main office, 434 Broadway, and a branch at 93 Canal street, involved about 90 employees. The City's Division of Labor Relations arranged for joint conferences, which ended at 11 A. M. today in a one-year agreement. Employees returned to work immediately.

Salary increases ranging from \$36 to \$80 a month were won and the minimum pay was raised from \$23 to \$32 a week, with payment weekly instead of semi-monthly.

A modified union shop, grievance and arbitration machinery, overtime provisions and full pay for time lost as a result of the strike were included in the agreement.

Representing the bank were Howard Markel, president, and Harold Dublirer, attorney. Union representatives were Leon W. Berney, vice-president of the National Union; Peter K. Hawley, executive director of local 96, and a committee of nine employees.

THE NEW YORK TIMES. SATURDAY, NOVEMBER 9, 1946.  
FINANCIAL — BUSINESS

### Merchants Bank Employees End Strike; Win Pay Rises and Modified Union Shop

The strike of employees of Merchants Bank of New York was settled yesterday with the employees winning substantial salary increases and improvement in working conditions. The strike by ninety members of Local 96, United Office and Professional Workers, CIO, began Wednesday at the bank's main office, 434 Broadway and a branch at 93 Canal Street. Joint conferences arranged by New York City's Division of Labor Relations ended at 11 A. M. with union officials and bank representatives signing a one-year agreement. Employees returned to work immediately.

Employees won salary increases ranging from \$36 to \$80 a month and minimum pay was raised from \$23 to \$32 a week. They will be paid henceforth on a weekly instead of semi-monthly basis. The agreement included a modified union shop, grievance and arbitration machinery, overtime provisions and full pay for time lost as a result of the strike.

The bank was represented by Howard Markel, president, and Harold Dublirer, attorney. Union representatives were Leon W. Berney, vice president of the CIO; Peter K. Hawley, executive director of Local 96, and a committee of nine employees.

## Strike Spotlights Drive To Boost Pay Of All Bank Workers

By BEN YABLONKY

When employees of the Merchants Bank of New York walked out Wednesday in the first strike of its kind in labor history, the walkout focused attention on a group of white collar workers who have become the forgotten men and women in the country.

Long the victims of an industry which has been traditionally open shop and paternalistic in its labor practices, employees of banks and other financial institutions including brokerage houses are among the Nation's lowest paid white collar workers.

According to the Bureau of Labor Statistics, the pay for more than two thirds of all bank workers hasn't been increased one cent since

the end of the war, although, according to the same Federal agency, the price of food alone has jumped 25 per cent.

Yet little was done to improve the plight of these workers until a few months ago.

Today a mighty, growing campaign is underway to organize the 75,000 employees in financial institutions throughout the city. The drive is centered in Wall Street where union sound trucks and picket lines, once an unusual sight in the heart of the world's biggest financial center, have become a common, everyday affair.

The spark plug for the drive is the Financial Employees Guild, Local 96 of the United Office and Professional Workers of America, CIO, which has thrown the full weight of the biggest white-collar union in the country into the job

MAIL TO: FINANCIAL EMPLOYEES GUILD, LOCAL 96  
United Office and Professional Workers of America, CIO  
30 East 29th Street, New York 16, N. Y., MU. 3-9081

I hereby authorize the United Office and Professional Workers of America, CIO, to represent me for the purpose of securing a salary increase and other improvements in working conditions.

Signature .....

NAME (print) .....

HOME ADDRESS .....

DEPT. ....

POSITION .....

EMPLOYER .....

BUSINESS ADDRESS .....

**Strictly Confidential:** All information will be treated in the utmost confidence.

11-12-46