



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON 25, D. C.

Z-2106 (On office
copies only)

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

August 8, 1947.

Dear Sir:

Enclosed is a copy of a letter I have received from Senator Taft, Chairman of the Joint Committee on the Economic Report, together with a copy of the Employment Act of 1946 and of the Concurrent Resolution which Congress adopted just prior to adjournment, authorizing three subcommittees to make a study of the price level of consumer goods and report their findings not later than February 1, 1948.

Your cooperation in the work of the subcommittees in accordance with Senator Taft's letter will be greatly appreciated by the Board. The task assigned to the subcommittees by the Congress is of great importance and of special concern to the Federal Reserve System in the discharge of its responsibilities.

You will note that Senator Taft's letter states that Dr. Charles O. Hardy, Staff Director of the Joint Committee, will communicate directly with you as to details of subcommittee plans in respect to the various Federal Reserve districts.

I am sending a copy of this letter to Senator Taft.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "M. S. Eccles".

M. S. Eccles,
Chairman.

Enclosures 2

TO THE PRESIDENTS OF THE FEDERAL RESERVE BANKS

CONGRESS OF THE UNITED STATES
JOINT COMMITTEE ON THE ECONOMIC REPORT

August 6, 1947

Hon. Marriner S. Eccles,
Chairman,
Board of Governors of the
Federal Reserve System,
Washington 25, D. C.

Dear Mr. Eccles:

As you are aware, the Joint Committee on the Economic Report has been directed, under the so-called Baldwin Resolution (S.Con. Res. 19), to make a study of the price level of consumer goods, and to render a report of its findings by February 1, 1948. The plan of investigation is that three subcommittees, each consisting of three members of the Senate and three members of the House of Representatives, will hold hearings in late September or in October. The three subcommittees will work respectively in the East, the Mid-continent, and the far West, and will visit from five to seven cities in each area.

We would appreciate it if you would request for us the co-operation of the various Reserve Banks in the planning and conduct of these hearings. Although the list has not been definitely settled, it is expected that hearings will be held in most of the cities in which there are Federal Reserve Banks, and in several of those in which there are branches. I am told that the Research Departments of the various Reserve Banks have a considerable amount of information on local economic conditions, some of which might be made available to our staff for use in preparing background material before the hearings are held. We may also need advice in locating good prospective witnesses. If any of the Banks have suitable rooms which they can make available to us, the arrangement would be splendid from our standpoint; if not, we shall need their advice in locating suitable hearing rooms elsewhere.

The Joint Committee on the Economic Report is bi-partisan, and the objective for which it is organized under the Employment Act of 1946 is one which commands the support of both parties. It is the intention of the Committee to conduct these hearings in accordance with the spirit of the Act in this respect.

I hope you may feel justified in writing to the Presidents of the various Banks that the Board of Governors approves of their co-operating in any appropriate way which will not interfere with their work. If you do approve, and if the arrangement is satisfactory to you, our Staff Director, Dr. Charles O. Hardy, will write to the Presidents of the various banks as to the details of the subcommittees' plans in respect to their individual districts.

Sincerely yours,

Signed: Robert A. Taft

Chairman

P.S. I enclose copies of the Employment Act of 1946 and of the Baldwin resolution, which you may wish to use in writing to the various Bank Presidents.