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A meeting of the Board of Governors of the Federal Reserve System with the Federal Advisory Council was held in the offices of the Board of Governors in Washington on Tuesday, March 11, 1947, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Draper  
Mr. Evans  
Mr. Vardaman  
Mr. Clayton

Mr. Carpenter, Secretary

Messrs. Spencer, Burgess, Williams, McCoy, Fleming, J. T. Brown, E. E. Brown, Penick, Atwood, Kemper, and Winton, members of the Federal Advisory Council from the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, and Eleventh Federal Reserve Districts, respectively.

Mr. Wallace, Chairman of the Security-Trust National Bank of Los Angeles, who attended the meeting in place of Mr. Odlin from the Twelfth Federal Reserve District.

Mr. Prochnow, Acting Secretary of the Federal Advisory Council.

At a separate meeting of the Federal Advisory Council in Washington on March 9, 1947, new officers for the ensuing year were elected as follows: E. E. Brown, President; Charles E. Spencer, Jr., Vice President; Walter Lichtenstein, Secretary; Herbert V. Prochnow, Acting Secretary; and Messrs. Brown, Spencer, Burgess, Williams, McCoy, and Fleming, members of the executive committee.

At its separate meeting the Council took action with respect to the various matters on its agenda and yesterday presented to the

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Board a memorandum of conclusions which had been reached and which were to be discussed with the Board in accordance with the procedure agreed upon at the previous meeting of the Council and the Board. The discussions at this joint meeting with respect to each of the topics referred to in the memorandum were substantially as follows:

1. Classification of banks in preventive strike legislation.

Should the Council take a stand in having banks classified as essential to the public good in any preventive strike legislation which might be considered by Congress?

After a careful discussion of various aspects of this question, the Council recommends that it be dropped from the agenda.

President Brown stated that, while it was understood that consideration was being given by Congress to legislation of this kind and that the matter of action to be taken to have banks included in such legislation was being studied by the American Bankers Association and other bankers' associations, the Council felt that no suggestion in that direction should be made by the Council or the Board of Governors.

2. Industrial loan bill, S. 408.

In connection with the proposed bill S. 408, it is suggested that consideration be given to the deletion of the following from the proposed bill: Section II, lines 14 and 15 and down to and including word "prescribe" in line 16, and that line 14 start with the words "Any Federal Reserve Bank may guarantee".

The Council considered this item jointly with item 7 below. The majority of the Council favors bill S. 408 subject to its being changed in two respects: (1) it should be restricted in its application not to "any financing institution" but to "chartered banking institutions"; and (2) guarantees and commitments should be made only after a showing that the loans could not be handled through normal banking channels.

A minority of the Council was opposed to bill S. 408 even with these amendments.

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The Council's support, with these amendments, of bill S. 408 is given in the belief that some safety valve is desirable for emergency credit situations, and with the recommendation that the lending and guarantee powers of certain other government agencies, including the R.F.C., should be greatly curtailed, and in many instances should be terminated.

In this general connection, the Council has also considered H. R. 157 and would appreciate the Board's viewpoint on this bill. The Council is unanimously opposed to it.

President Brown stated that with the two amendments suggested above the Council could support S. 408. He also said that the Council realized that commodity credit would have to be continued as long as legislation for the support of farm prices was in effect, that the lending and guarantee powers of other agencies such as the Federal Housing Administration and some of the disaster loan powers of the Reconstruction Finance Corporation would have to be continued at least for the time being, but that it was the feeling of the Council that other powers should be greatly curtailed and in many cases terminated altogether. He pointed out, however, that the statement set forth above did not condition the Council's support of the amended S. 408 upon action being taken to curtail the lending and guaranteeing powers of other Government agencies. He added that, in connection with the suggestion that the bill require a showing that credit could not be obtained through normal banking channels, the Council felt that, if a small bank wanted to

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make a loan which was in excess of its legal lending limit and could readily get the excess amount through its correspondent or some other bank, it should not be permitted to go to the Federal Reserve Bank for a guarantee of the credit in excess of the legal limit in order to participate in the loan.

Chairman Eccles stated that the two amendments to the bill proposed by the Council had been thoroughly considered by the Board and had been discussed with the Presidents of the Federal Reserve Banks. With respect to the question whether the term "financial institution" or "chartered banking institution" should be used in the bill, he said that the former or even broader language was used in Section 13b of the Federal Reserve Act, in the Executive Order authorizing the Federal Reserve Banks to guarantee V, VT, and T loans, and in the authority of the Reconstruction Finance Corporation to make industrial loans. He also said that, inasmuch as the amount of this type of credit that had been guaranteed for concerns other than commercial banks was so small as to make the question an academic one, the Board saw no reason to invite opposition to the bill from savings and loan associations and other financing institutions by limiting the authority to loans made by chartered banking institutions.

As to the second amendment proposed by the Council, Chairman Eccles stated that at the recent Presidents' Conference the

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Presidents had a divided opinion on this point and that he believed the members of the Board would like to leave the provision out of the bill for the reason that the Federal Reserve Banks would be in a position to determine whether the credit for which a guarantee was requested could be obtained through the usual banking channels on a reasonable basis or whether the request was made solely for the purpose of enabling the bank to exceed its legal loan limit. If the suggested amendment were added to the bill, he said, there would be opposition to it on the part of many small banks.

There was a discussion of the difficulty that might be experienced in satisfactorily interpreting the language of this amendment if it were added to the bill, and Chairman Eccles stated that the credit departments of the Federal Reserve Banks were well qualified to determine whether a particular loan could be obtained without a guarantee and whether the only reason for the guarantee was to exceed the legal lending limit, and that it should be the policy of the Reserve Banks not to guarantee credits where they could be obtained on a reasonable basis through normal banking channels. He added that that point could be covered effectively in the regulations which would be issued by the Board pursuant to the bill, that in these circumstances the Board did not feel that it should propose the amendment, but that if it were offered by someone else the Board would not oppose it.

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President Brown stated that the bill in its present form would be satisfactory as long as the Board of Governors and the Federal Reserve Banks held the view stated by Chairman Eccles, but that the Council was opposed to Governmental banking as against private banking and felt that there should be some language in the bill which would limit its application in the event there should be an administration or a Board of Governors which believed in the socialization of credit.

Chairman Eccles stated that, even if that should occur, the determination of the question whether a particular guarantee should be issued would rest with the directors and officers of the Federal Reserve Bank.

President Brown responded that, if the proposed legislation was to be regarded as a safety measure to insure credit being extended in cases where it was desirable in the public interest, it should contain some express provision to prevent the use of the guarantee authority for a broader purpose.

After discussion of the reasons which might be advanced in favor of inclusion or exclusion of the proposed amendment from the bill, Mr. Brown asked for a discussion of the question whether the bill should restrict the authority of the Federal Reserve Banks to guarantee loans made by financial institutions or only chartered banking institutions, and Chairman Eccles stated that the Board's

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preference would be to restrict the authority to member banks only in order to add to the value of membership in the Federal Reserve System, but that it was not felt that it would be possible to get favorable consideration of the legislation with such a limitation.

President Brown stated that the situation at the present time was very different from the conditions which existed in the early thirties, when the existing guarantee authorities were given to the Board and the Reconstruction Finance Corporation. At that time, he said, many banks and other concerns were in difficulties and the broader authority made it possible to organize corporations for the express purpose of taking over criticized assets and to extend the necessary credit for the purpose. He added that the Council could not see the necessity at this time for providing a mechanism which would permit guarantees not only to savings and loan associations and similar concerns but to finance companies, investment companies, and others as well.

Chairman Eccles said that the Board agreed with that position, but that, since experience had shown that the number of guarantees issued to concerns other than banks had been small, the question was largely an academic one.

Mr. Fleming suggested that the bill might be more acceptable to Congress with the amendment making the guarantee authority available only in cases where the credit could not be obtained

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through the usual banking channels. He agreed, however, that the question whether the bill used the term "financial institution" or "charter banking institution" was not an important one.

Chairman Eccles stated that the Council might wish to consider the matter further in the light of this discussion and submit a resolution setting forth its position with respect to the two amendments, and that the Board would submit any resolution that the Council might approve to the Chairmen of the Senate and House Banking and Currency Committees.

President Brown stated that the Council would meet this afternoon for that purpose.

In response to President Brown's request for the views of the Board on S. 157, which would be known as the Veterans Employment and National Economic Development Corporation Act of 1946, Chairman Eccles stated that the Board would be opposed to the bill and that it did not appear that it would be given any serious consideration at this session of Congress.

### 3. Differential margin requirements.

Should the margin requirements prescribed by the Board in its Regulation U for banks be lower than those prescribed in Regulation T for brokers?

At the present time, and ordinarily, the Council would not favor a differential in margin requirements, but the Council can conceive conditions under which a differential might be desirable.



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President Brown stated that as long as business activity was at a high level, any material differential in margin requirements in favor of banks would result in a shift of loans for the speculative purchasing of securities from brokers to the banks, but that in a period of depression when stock prices were low it might be highly desirable to suspend margin requirements under Regulation U altogether. He also said that the Council was unanimously of the opinion that, under present conditions, the differential would be unwise and that except in extraordinary and unusual circumstances it should not be established.

Chairman Eccles reviewed the circumstances under which Regulation U was adopted originally and referred to the fact that it was clear that the law authorized the Board to prescribe a different requirement for banks in Regulation U from that prescribed for brokers in Regulation T. He also discussed the reasons that could be given in support of a lower margin on bank loans than on loans by brokers. He said that one aspect of the problem which he felt was worth consideration was that in the past purchasers of securities on margin borrowed from their broker in order to carry the securities, the broker borrowed on the call loan market, largely in New York, to carry his customers, and banks throughout the country placed funds on the call loan market on a low rate, all of which resulted in the local bank losing loans originating in its own

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community which it might very well have made. He thought that a lower margin requirement for banks would tend to correct this situation, and that it would be much more satisfactory if these credits could be supplied by the banks directly rather than through the call money market. He recognized that under existing law the differential could not be so large as to circumvent the purpose of the law, but he did not believe that it was contemplated that in all conditions the prescribed margins in the two regulations should be the same.

Following the discussion of the effect of differentials in interest rates in influencing the decision whether security loans would be made by brokers or banks, Chairman Eccles made the statement that the Board was not contemplating establishing different margin requirements in Regulations T and U, but had felt that it was a matter that might well be discussed with the Council. It was his personal view, however, that if the Board should see fit to prescribe a margin of 65 per cent in Regulation T, the margin prescribed in Regulation U might well be placed at 50 per cent, and that, if the margin on brokers loans were reduced to 50 per cent, the limitation on bank loans might be eliminated altogether as being unnecessary. He said that this was his offhand personal view and he would not want to be bound by it but would want to study the matter further.

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Mr. Brown expressed the opinion that as long as present conditions existed including the inflated money supply and the ease with which bank credit could be obtained, a small differential in the margin requirements prescribed in Regulations T and U would cause a shift of security loans from brokers to the banks and therefore would be undesirable.

#### 4. Consumer credit.

Consumer credit has practically reached the prewar level and probably will continue to rise. As the Council is aware, if regulation of this type of credit is to be permanent Congress will have to enact the enabling legislation. Should the Board be given some definite but limited regulatory authority in this field or should there be no Federal regulation of consumer credit?

The Council does not believe that the Board should be given power to regulate consumer credit. The Council believes the Board might be helpful in the matter of consumer credit if it regularly gave wide publicity to figures reflecting the outstanding volume of consumer credit.

Mr. Brown said that the above statement represented the unanimous view of the members of the Council, and that the reason for the position was one of primary difference in philosophy with respect to Government planning. He also said that, although the members of the Council realized fully that fluctuations in the volume of consumer credit would have an influence on the economy, they felt that if the Board or some other agency were given authority over consumer credit with respect to automobiles, for example,

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that authority, in order to be made effective, would inevitably have to be extended to the small loan companies and other fields. While, he said, the Council would admit the danger of fluctuations in consumer credit without regulation, it felt that, in the interest of the whole economy and in the interest of individual rights in an independent economy, the Board should not be given control of consumer credit and that the existing authority should lapse at the end of the emergency.

Chairman Eccles stated that the administration of the Board's authority in the field of consumer credit had been a difficult task, that speaking for himself he would be glad to be relieved of that responsibility, but that with the large public debt which would be in existence for a long time and the necessity of maintaining the stability of Government security prices, the Board was not able to influence the volume of credit outstanding by the use of the traditional or quantitative credit controls, and that it was a question whether the authority for selective credit controls should be extended. He also said that any action that might be taken with the consent of the Treasury to increase the short-term rate would not increase the rate more than  $1/8$  or  $1/4$  per cent, and that while that might stop the monetization of the public debt it would not stop the sale by the banks of securities to enable them to expand private credit. It was expected,

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he added, that there would be a tremendous growth in the volume of consumer credit outstanding which might reach as high as \$30 billion, and in the absence of authority for selective credit control or further legislation by Congress as proposed in the Board's Annual Report for 1945, there was nothing the Board could do about it. He made the further statement that the problem had been discussed with the Presidents of the Federal Reserve Banks during their recent meeting in Washington and it was the majority opinion that, while the Presidents did not like the task, they felt it was a question of alternatives and that continuation of the authority was essential. He went on to say that the Board had agreed to recommend that if consideration were not given by Congress during the present session to the granting of legislative authority for consumer credit regulation the Board would request that the Executive Order on which Regulation W was based be revoked. It was expected, he said, that a bill giving the Board continuing authority to regulate consumer credit would be prepared and presented to the Chairmen of the Banking and Currency Committees. He also said that the Board was anxious to point out the dangers inherent in the uncontrolled growth of consumer credit, and that the public would know what the situation was so that if legislative authority were not given and an unhealthy situation developed the Board could not be held responsible.

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The Chairman expressed the opinion that, because of the opposition that had developed to Regulation W, if the Board should request it, the Executive Order would be repealed promptly without waiting until the end of the present session of Congress. He felt, however, that if there was no regulation on down payments and maturities on loans for the purpose of purchasing consumer durable goods that were in short supply such as automobiles, and instalment terms were progressively relaxed, it would result in the maintenance of existing high prices for an indefinite period and many people, particularly people of small means, would be committed for indebtedness incurred at the highest prices which could only result in trouble later on.

President Brown stated that the Council had spent many hours discussing the problem of consumer credit regulation, that while there was substantial support for legislative authority in this field and the Council recognized the dangers in an uncontrolled situation, it could not escape the decision that the effective exercise of the authority would require its extension into other fields such as real estate and elsewhere and that the control would be a worse evil than the one it was designed to correct.

Mr. Burgess stated that one of the worst areas of abuse was in the field of veterans' mortgage loans which were highly inflationary and he inquired whether the Board had taken a position on

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that matter. Chairman Eccles responded that the Board had not made a statement with respect to it but that he had discussed the problems involved with representatives of the Treasury, particularly with respect to the authority of the Reconstruction Finance Corporation to purchase veterans' mortgage loans and the provision in the President's budget for \$500 million for the purchase of such mortgages. It was his feeling that these funds should not be made available for that purpose and Mr. Fleming stated that the American Bankers Association Committee on Treasury Financing had made such a recommendation to the Secretary of the Treasury.

Chairman Eccles also discussed the differences between mortgage credit and consumer credit from the standpoint of practical selective credit control and expressed the opinion that, if the Board had authority to regulate credit in connection with the sale of consumers durable goods which were ordinarily purchased on the basis of a title-retaining note, it would go a long way toward the regulation of the dangerous fluctuations in consumer credit. Mr. Burgess concurred in the opinion that the Government should not undertake to control mortgage lending and suggested that it was important also that it should not follow a policy with respect to veterans' mortgage loans which was seriously inflationary and that the Board might have a greater responsibility to take the position on that matter than it had in the field of consumer credit.

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Chairman Eccles stated the Board had received requests for reports on bill S. 217, which would continue the authority of the Reconstruction Finance Corporation to make credit available to small business enterprises, but that after discussing the matter with representatives of the Comptroller of the Currency and the Treasury it was agreed that it would be inappropriate for the Board, the Comptroller of the Currency, or the Treasury to make a report on the bill as such action would immediately precipitate a conflict which should be avoided for reasons which he outlined. He also said that last year the Board made an adverse report on the sections of the Wagner-Ellender-Taft bill which would provide easier credit terms on mortgage loans and pointed out the inflationary results of such credit. He made the further statement that if he should be asked to testify on the matter he would feel free to make a full statement of his position with respect to veterans' mortgage loans.

5. Direct purchases of Government securities from the Treasury.

The Board has recommended legislation to make permanent the authority to make direct purchases up to 5 billion dollars from the Treasury and would welcome the Council's support of this measure or an expression of the reasons for contrary views in case there is disagreement with the Board's recommendation.

The Council recommends that authority be given for a period of three years to make direct purchases up to 5 billion dollars from the Treasury. The Council believes that it would be advisable to review the matter again at the end of three years to determine if



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there had been any abuse of the power and also to determine whether the power should be further continued or be permitted to lapse. The Council cannot but be mindful of the fact that historically and in various countries direct borrowing by a government from the central bank has been a common vehicle of inflation.

Chairman Eccles reviewed the present status of the bill now before Congress which would extend the authority for direct purchases from the Treasury of Government securities and stated the reasons why its enactment, although not essential, was desirable at this time in the interest of stability in the Government security and money markets. With respect to the proposal that the authority be limited to three years, Chairman Eccles stated that the Board would have no objection if the Congress desired to consider a further extension of the authority at the end of that time. He also said that he would like to have the misconception cleared up that the authority to make direct purchases was a dangerous one and that there was no danger in the authority to purchase Government securities in the market. He emphasized that, from the standpoint of the inflationary effects involved, there was no substantial difference between the two, that the only way to avoid these dangers was to avoid deficit financing altogether, and that the public and the Congress should understand that.

Mr. Burgess inquired whether it would be desirable for the Council and the Board to join in a statement suggesting that Govern-

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ment expenditures during the next fiscal year be cut by a stated amount.

Chairman Eccles replied that the question of a reduction in Government spending was one of deciding where the reduction should be made and that that involved the question of expenditures for military purposes and in carrying out the foreign policies of the Government. He felt that, if this country was to take over the role of England in Europe, it would involve commitments the extent of which could not be foreseen at this time, and that this was a question which went far beyond the problem of Government financing and budget policy and into the field of international policy and relations. He also discussed the possible effect of a budget surplus of around \$4 billion and an increase of approximately \$4 billion in special trust accounts, and expressed the opinion that if the Treasury were to use these funds for debt retirement it would have a deflationary result and that the desirable alternative would be reduction in taxes.

6. Bank holding company legislation.

It is expected that bank holding company legislation will be introduced at this session of Congress. The Board has discussed this subject with the Council and will be glad to give the Council any additional information it desires. The Board would also like to know the Council's general attitude toward the holding company legislation.

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The Council appreciates the opportunity the Board has given the Council to examine the proposed bank holding company legislation. However, the effects of legislation of this character are so far-reaching, and the subject is one offering so many complicated problems that the Council will require more time to study the proposed legislation. The opinions of its members are widely divergent on the question. It will endeavor by the May meeting to see if it is possible for a majority of the Council members to agree on the principles which should govern holding company legislation.

President Brown stated that the members of the Council were in agreement that bank holding legislation of some kind should be enacted but that it had not been possible to reach any agreement on the fundamental questions involved except that the legislation should not take the form of a death sentence. The Council also understood, he said, that there was a similar difference of opinion among the interested Government agencies.

Chairman Eccles discussed the history of the existing authority of the Board with respect to the supervision of bank holding companies and why the present law had not been effective in accomplishing the purposes which Congress had in mind or in meeting situations which had developed in connection with particular bank holding companies. The Board felt, he said, that it had a responsibility to bring this matter to the attention of Congress which was done in the Board's Annual Report for 1943. He also discussed the bills which had been introduced in Congress since that time and stated that the bill introduced on March 10, 1947, by Senator Tobey, (S-829) copies of which

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had been sent by the Board to the members of the Council, was not greatly different from the bill introduced during the previous session. He also said that it was not possible to draft a bill which would satisfy everyone, that the Attorney General was in favor of the bill in its latest form, that the Comptroller of the Currency and the Federal Deposit Insurance Corporation were opposed to granting any further discretionary authority to the Board, and that the Treasury had stated that it would have no objection to the introduction of the new bill.

In response to an inquiry from President Brown, Chairman Eccles stated that he did not know when or whether hearings would be held on the bill, that the Board had submitted it and had accompanied it by an explanatory statement setting forth the reasons for the legislation, that the Board would do what it could if hearings were held to urge enactment of the bill, but that Congress would have to make the final decision.

7. Long-term bond issue.

Would it be desirable to have a refunding bond issue?

The Council believes that it is desirable to have a refunding bond issue, and it suggests that the Board use its influence with the Treasury, as part of a continuing program gradually to transfer a large part of the debt to permanent investors, to bring out in the near future a refunding bond issue of not over two billion dollars, non-eligible to banks, and with restrictions on subscriptions along the lines of those suggested by the American Bankers Association Committee on Treasury Borrowing.

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Chairman Eccles referred to the conclusions reached by the Federal Open Market Committee at its recent discussion of this question and stated that he and Mr. Sproul had been authorized to present to the Treasury a memorandum on the subject. He said that the memorandum had not yet been submitted but that the Committee was unanimously opposed to a long-term market issue for the reason that it would encourage further sale by banks of short-term securities in order to purchase long-terms, and, therefore, would have exactly the opposite effect from the one desired. Such action, he said, would deal with effects rather than causes and, in the absence of legislation along the lines proposed in the Board's Annual Report for 1945, the only alternative available in the event the pressure on the long-term rate should be resumed would be to permit an increase in the short-term rate which would create a situation in which it would be unprofitable for banks to shift from short to long-term issues.

In response to a question whether it would be possible to get the necessary consent for a long-term market issue at 2-1/2 per cent and at the same time an increase in the short-term rate, Chairman Eccles said that he did not think that that would be possible. He felt that any long-term security issued by the Treasury should be of the G-bond type designed to provide an investment medium for bona fide savings funds accumulated by insurance companies and others. It was

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his view that, if it were not possible to get the legislation recommended in the Board's Annual Report, the procedure to be followed would be to allow the short-term rate to increase and to make available to bona fide investors nonmarketable securities similar to the existing G-bonds.

After a discussion of various steps that might be taken to deal with the problem involved in this matter, Chairman Eccles said that he thought the Board would favor the enactment of the legislation along the lines suggested in its Annual Report which would deal with the fundamental problem, but that it did not appear likely that the legislation would be enacted.

Mr. Winton asked if the Board felt that the time had come when the existing pattern of rates could no longer be maintained and Chairman Eccles replied in the negative stating that the existing pattern could be maintained indefinitely and that the question was one of advisability rather than of ability to maintain the pattern. However, he said, it would be preferable to allow the short-term rate to rise rather than to try to issue a sufficient amount of 2-1/2 per cent long-term securities to maintain the long-term rate.

Mr. Burgess inquired whether the Board favored an offering of the suggested G-bond type of security soon or whether that was regarded as something to be done in the indefinite future.

Chairman Eccles stated the Board would not oppose its being offered

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whenever the pressure on the long-term rate reappeared. He did not think it would be wise to offer it under conditions that would interfere with the offering of securities issued and guaranteed by the International Bank for Reconstruction and Development or other financing that might have to be done. He also felt that the new issue could be put on tap and the right reserved to turn down applications from any concern when it appeared that its purchases would be in excess of its bona fide savings accumulations.

Chairman Eccles then referred to the bill introduced in Congress which included a provision removing the limitation contained in the present law on the amount that might be spent by a Federal Reserve Bank in the construction of a Federal Reserve branch building. He related the circumstances in which a new bill had been introduced from which this provision had been dropped, and stated that he had discussed the matter with the Chairman of the House Banking and Currency Committee who felt that a separate bill on this subject might be introduced containing certain limitations which would increase the chances of its being given favorable consideration.

President Brown stated that the Council felt that there was no justification for the limitation in the existing law and that at its separate meeting this afternoon the Council would consider whether it should take a position with respect to the matter.

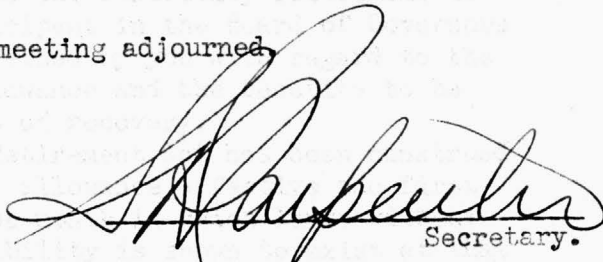
President Brown then said that the next meeting of the Council would be held in Washington on May 19 and 20, 1947.

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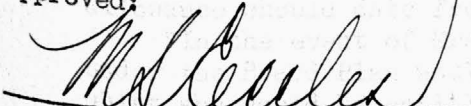
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Chairman Eccles stated that the Board felt that the new procedure, under which the views of the Council were submitted to the Board in writing before the joint meeting of the Board and the Council, was a real improvement over the manner in which the meetings had been handled in the past. President Brown responded with the comment that the Council was appreciative of the fact that the Board had submitted at this meeting several topics which were of real importance for consideration by the Council. He also said that the Council would be glad if in the future it could have memoranda prepared by the staff in connection with any topics suggested by the Board and if these memoranda could be received some time before the time of the Council meeting.

Thereupon the meeting adjourned.

  
Secretary.

Approved:

  
Chairman.