

Thirdly, and the point President Johnson made very strongly in our first conversation, we have recruiting problems. We have a dickens of a time finding the talent to come into banks to become officers. There is a tremendous demand for these young men and women. If you have made a loan to a young man or woman to go to college and they graduate and you say, "Would you like to come to work with us," you have a much better chance, you have an inside chance in that recruitment because you helped the student to begin with.

Finally, bankers are very much concerned with the public interest. We are a highly regulated industry, we are in the nature of part public utility. We do believe that what is good for the public interest is good for us in the long run and this program is good for the public interest.

Mr. BRADEMAs. Thank you very much.

Mrs. GREEN. Congressman Brademas asked for some information on the \$35 breakdown. The Barr report, I believe we already have. So that does not need to be a part of the record at this point.

Mr. WALKER. We will work through a typical transaction and give cost to the time and so forth.

Mr. QUIE. To what page in this green booklet were you referring to in the answer?

Mr. WALKER. It has been 2 or 3 years since I have really looked at this. We responded to Mr. Patman's points, point by point. The tax account loan matter.

Mr. QUIE. Page 18.

Mr. WALKER. Yes, referring to the last study made of this subjection under President Kennedy by Secretary of the Treasury Dillon in March 1964, yes, that is the concise, we think, refutation and rebuttal, in Secretary Dillon's words, of Mr. Patman's contention.

Mr. QUIE. Madam Chairman, since this does not have any reference to Mr. Patman, himself, and some of the others do, I am wondering if it would be out of the way to have that a matter of the record.

Mrs. GREEN. This would be fine. I was also going to ask unanimous consent since Mr. Patman was referred to several times to allow Mr. Patman to put in any statement following Mr. Walker's testimony. If there is no objection it is so ordered.

Mr. QUIE. The books and the answer.

Mrs. GREEN. On page 18 and any statement he wishes to put in.

Mr. QUIE. I would ask unanimous consent that it also be placed earlier in the record so that they can have this in context.

(The material requested to be furnished follows:)

AMERICAN BANKERS ASSOCIATION: COMMENTS ON MR. PATMAN'S ABC'S OF MONEY

Although past studies by the Treasury have shown clearly that the free services performed by commercial banks for the Federal Government fully offset the earning power of the Government's deposits (Tax and Loan Accounts) held with the banks, this is not the real issue. The real issue was set forth accurately and succinctly by Secretary of the Treasury Dillon in March 1964, when he told Mr. Patman's committee:

"... in appraising the tax and loan account system, I think it is vital to keep in mind that these arrangements were basically designed not as a method to reimburse banks for services performed but to fill a special need in our decentralized financial system, characterized by a large number of independent banks. These arrangements perform a twofold function. First, the use of tax and loan