

four times in the last 2 years. We have never regarded the \$5 billion figure as anything except really a war emergency kind of figure. That is the third purpose for having this sort of thing.

I think the biggest number we ever had in borrowing in the whole history of this thing was \$1,320 million in 1943. In the period since 1954 the biggest number has been \$424 million outstanding at one time. We didn't use it at all in 1955, 1956, or 1957. We didn't use it at all in 1959-65. But it is useful to us so that we don't have to borrow in anticipation of revenues that will be coming in in a short period of time. It is used almost always over the tax payment days.

The Federal Reserve of course has the authority not to extend that credit if they don't wish to give it, but we have never had any problem with respect to this. And it counts against the debt ceiling as any borrowing of the Treasury does. It is a 1-day, usually a 2-day, and I think the longest in the last 2 years has been a 3-day borrowing period.

Senator PROXMIRE. Are direct sales, Secretary Deming, of Treasury securities of the Federal Reserve Board, treated as part of the national debt subject to the debt ceiling?

Mr. DEMING. Yes, they are. It is no way for us to escape the debt ceiling.

Senator PROXMIRE. Governor Robertson, for the record could you provide a complete month by month breakdown of agency issue purchases and sales by type of issues?

Mr. ROBERTSON. I would be very glad to.

(The following material was received by the committee:)

SYSTEM REPURCHASE AGREEMENTS AGAINST AGENCIES, DECEMBER 1966-MARCH 1968

[In millions of dollars]

|                    | Total | FICB  | Coops. | FLB   | TVA   | FHLB  | FNMA  |
|--------------------|-------|-------|--------|-------|-------|-------|-------|
| 1966—December..... | 197   | 22    | 27     | 8     | ----- | 76    | 63    |
| 1967—January.....  | 11    | ----- | -----  | ----- | ----- | 4     | 7     |
| February.....      | 187   | 6     | 15     | 34    | 24    | 33    | 76    |
| March.....         | 175   | 3     | 8      | 42    | 10    | 29    | 83    |
| April.....         | 88    | 13    | 6      | 6     | 10    | 12    | 41    |
| May.....           | 12    | ----- | -----  | 2     | 3     | ----- | 7     |
| June.....          | 6     | ----- | -----  | ----- | 6     | ----- | ----- |
| July.....          | 33    | 6     | 1      | 17    | 5     | 4     | ----- |
| August.....        | 3     | 3     | -----  | ----- | ----- | ----- | ----- |
| September.....     | 33    | 1     | 1      | 5     | 23    | ----- | 3     |
| October.....       | 56    | 3     | 1      | ----- | 18    | 4     | 30    |
| November.....      | 68    | 2     | 8      | 1     | 32    | 1     | 25    |
| December.....      | 43    | 3     | 1      | 8     | 6     | 9     | 16    |
| 1968—January.....  | 53    | 13    | 3      | 1     | 13    | 6     | 16    |
| February.....      | 18    | 8     | 6      | ----- | 2     | 2     | ----- |
| March.....         | 117   | 5     | -----  | 26    | 24    | 25    | 37    |
| Total.....         | 1,099 | 87    | 76     | 150   | 176   | 205   | 404   |
| Percent.....       | 100   | 7.9   | 6.9    | 13.6  | 16    | 18.6  | 36.8  |

Note: A repurchase agreement involves both a purchase and a sale. The securities covered by the agreement are automatically sold back to the dealer at the termination of the agreement.

Senator PROXMIRE. Gentlemen, thank you very much.

Senator BROOKE, you have been very patient.

Senator BROOKE. Thank you, Mr. Chairman.

Deming, both the Federal Home Loan Bank Board and the Reserve System are on record now as being in favor of the authority rather than merely a 2-year extension. I notice Department has not proposed to make it permanent