

it, and your speakers characterized it as a menace to the financial stability of this country and predicted that it would bring about a period of the most unexampled distress and contraction that we have ever had.

Senator EDGE. What did the resolutions finally do?

Senator GLASS. The resolutions opposed it.

The CHAIRMAN. We must not press Judge Paton too far—

Senator GLASS. The judge was pressing me.

The CHAIRMAN. If we insist upon telling him what we think of the American Bankers Association, he may retort by expressing his opinion of what he thinks of the Senate.

Senator GLASS. Well, if the Senate shall justify itself as well as the Federal reserve bank act did, he won't have any ground to stand on.

Mr. PATON. My understanding is that there was a resolution submitted which objected to certain features of the Federal reserve act, and that was the taking away from the banks themselves of the control of the system, but with those features corrected they approved generally the Federal reserve system.

Senator GLASS. And unanimously approved the Aldrich bill, which was just as far from the Federal reserve system as black is from white. But I want to ask a question that does not relate to you or to me, but to this bill. Do you think a branch bank is essentially a bad system of banking?

Mr. PATON. Well, if may speak officially, yes.

Senator GLASS. I do not want you to speak officially; I want your judgment.

Mr. PATON. Well, I believe that branch banking, limited branch banking, as such, is all right.

Senator GLASS. Really, what you want, Judge, is that the national banks be put on a parity of competition with State banks in the matter of branch banking, is it not?

Mr. PATON. Given equal rights.

Senator GLASS. That is all I want to ask you.

The CHAIRMAN. Gentlemen, this is the situation, we have a great deal of ground to cover; we have a great many men whose statements we desire to have the benefit of in our record. I can not ask my colleagues to stay here continuously, but I have an understanding with them that they are quite willing that I should do so, and I am ready to sit now and take further statements until 6.30 o'clock, and then adjourn for an hour and begin again at 7.30 and sit until 10. Anybody who is willing to make his statement for the record with no better audience than the chairman of the subcommittee will be most welcome.

Senator GLASS. You will have as good an audience as that, I would not say better. I will be here.

The CHAIRMAN. I am very glad to know it. I was afraid I was going to be deserted. Referring now to the question of contiguous territory, it has been suggested that Mr. Edward B. Green, vice president of the Cleveland Trust Co., is present and desires to say a word to the committee. We will be glad to hear from Mr. Green.