

Two Panels to Probe Fed's Leak Inquiry

Two congressional subcommittees yesterday announced that they will investigate the Federal Reserve Board's response to an apparent leak of Fed statistics to Consumer Reports magazine.

The probes were announced after yesterday's report that Federal Reserve Board Chairman Arthur F. Burns had requested the FBI to investigate Fed employees to determine who might have given Consumer Reports a list of interest rates charged by specific banks for consumer loans.

In a brief press conference yesterday, Burns told reporters that he asked the FBI to

investigate the theft to a document. The indications appear to be that the document was stolen. That may be incorrect."

The interest rate data were gathered by the Fed, Burns said, on the understanding that it would be made public only in the form of averages.

"That's the way in which we were able to get the information," he said. "If we had the power to get it under law, it would be a different story."

Investigations were announced yesterday by subcommittees of the House Banking Currency and Housing and House Government Operations Committees.

Rep. Wright Patman (D-Tex.), chairman of the Domestic Monetary Policy Subcommittee of the Banking Committee, asked Burns in a letter to supply him with answers to seven questions, including the amount of money spent by the Fed to oppose a Freedom of Information Act suit brought by Consumer Reports to obtain the statistical data.

The magazine won the suit last May, but the decision was appealed by the Fed. The magazine subsequently obtained the data through sources it will not disclose.

In a letter to Rep. Henry S. Reuss (D-Wis.), chairman of the Banking Committee, Patman said, "It appears to me that the type of information published by Consumer Reports should be available to the public, and I question the right of the Federal Reserve to suppress it or to attempt to harass employees who have been willing to make such data available."

Patman added, "This incident is in keeping with the Federal Reserve's long record of secrecy, and it is a clear indication that the agency feels its responsibility is to protect the banks and the banks' data rather than providing information to the consumers."