

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, November 19, 1938, at 11:45 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Szymczak  
Mr. Draper

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

Telegrams dated November 18, 1938, to Messrs. Kimball and Post, Secretaries of the Federal Reserve Banks of New York and Philadelphia, respectively, Mr. Preston, First Vice President of the Federal Reserve Bank of Chicago, Mr. McKinney, President of the Federal Reserve Bank of Dallas, and Mr. Holden, Deputy Chairman of the Federal Reserve Bank of San Francisco, stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on November 15, by the Federal Reserve Banks of New York, Chicago and San Francisco on November 17, and by the Federal Reserve Banks of Philadelphia and Dallas on November 18, 1938, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated November 17, 1938, from Mr. Noell, Assistant Secretary, recommending that, for the reason stated in the memorandum,

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Walter E. Paul, page, be appointed a stenographer in the Office of the Secretary, with salary at the rate of \$1,440 per annum, effective immediately; and that David Frank Turner be appointed a page in the Office of the Secretary, with salary at the rate of \$1,080 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed satisfactorily the usual physical examination.

The recommendations were approved unanimously.

Memorandum dated November 15, 1938, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending the appointment on a temporary basis for the period ending May 31, 1939, of Haskell P. Wald, an intern at the National Institute of Public Affairs, as an economic assistant in the Division, with salary at the rate of \$50 per month, effective as of the date upon which he enters upon the performance of his duties.

Approved unanimously.

Letter dated November 15, 1938, from Mr. Sproul, First Vice President of the Federal Reserve Bank of New York, referring to the authority granted by the Board on November 5, 1938, to The Chase National Bank of the City of New York to establish in Balboa, Canal Zone, a branch to be subsidiary to the branch of the bank now existing in Cristobal, Canal Zone, and submitting a letter dated November

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14 from The Chase National Bank of the City of New York requesting that the bank be granted permission to establish an independent branch in Balboa rather than a subsidiary branch of the Cristobal branch. Mr. Sproul's letter recommended that the bank be granted permission to establish an independent branch in Balboa, Canal Zone.

The following order was adopted by unanimous vote:

"WHEREAS The Chase National Bank of the City of New York was authorized by the Board of Governors of the Federal Reserve System on November 5, 1938 to establish in Balboa, Canal Zone, Isthmus of Panama, a branch to be subsidiary to the branch of the said The Chase National Bank of the City of New York now existing in Cristobal, Canal Zone, Isthmus of Panama; and

"WHEREAS the said The Chase National Bank of the City of New York now desires to establish an independent branch in Balboa, Canal Zone, Isthmus of Panama, in lieu of the subsidiary branch heretofore authorized; and

"WHEREAS The Chase National Bank of the City of New York has made application to the Board of Governors of the Federal Reserve System under date of November 14, 1938, pursuant to the provisions of section 25 of the Federal Reserve Act, for permission to establish a branch in Balboa, Canal Zone, Isthmus of Panama; and

"WHEREAS it appears that the said application is properly made under the law and may properly be approved;

"NOW, THEREFORE, IT IS ORDERED that the said application be and it hereby is approved, and that the said bank be and it hereby is authorized to establish a branch in Balboa, Canal Zone, Isthmus of Panama, in lieu of the subsidiary branch referred to above; upon condition, however, that unless the authority hereby granted is exercised and such branch actually is established and opened for business on or before May 25, 1939, all rights hereby granted shall be deemed to have been abandoned and the authority hereby granted shall automatically terminate; but, if such branch shall be established and opened for

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"business on or before said date, the said bank may operate and maintain the same subject to the provisions of section 25 of the Federal Reserve Act."

In connection with the above matter, the following letter to The Chase National Bank of the City of New York, was also approved unanimously:

"This is to advise you that the application of your bank dated November 14, 1938, for permission to establish a branch in Balboa, Canal Zone, Isthmus of Panama, in lieu of the subsidiary branch, the establishment of which was authorized on November 5, 1938, has been approved. There is inclosed herewith a certified copy of an order of the Board of Governors of the Federal Reserve System authorizing the establishment of this branch.

"Your attention is called to the fact that the authority granted by the Board for the establishment of this branch will terminate on May 25, 1939, unless the branch is established and opened for business on or before that date.

"Please advise the Board of the date upon which the branch is opened for business."

Letter to Mr. Sargent, Vice President of the Federal Reserve Bank of San Francisco, reading as follows:

"The Legal Division of the Federal Deposit Insurance Corporation has made inquiry regarding the Central Bank of Oakland, California, and certain steps taken in connection with its termination of membership. Counsel for the Corporation particularly desired to have definite information regarding the date on which the bank went into voluntary liquidation, if that had been the case, and information as to the legal proceedings in connection therewith. He was advised that our files do not contain such information but that the Federal reserve bank could probably furnish the desired information to the supervising examiner in San Francisco. It was understood that, in accordance with our suggestion, counsel for the Federal Deposit Insurance Corporation has requested the supervising

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"examiner to take the matter up with your bank. It is assumed, of course, that, if desired, you will furnish him with copies of appropriate documents."

Approved unanimously.

Letter to Mr. Charles C. Sutter, Director, The World Calendar Association, Inc., New York, New York, reading as follows:

"This is in reply to your letter of November 10 on the subject of calendar reform. Our views on this subject are well expressed in the Central Statistical Board's report on calendar reform to the Secretary of State. A perpetual calendar, by simplifying and reducing our statistical work and by increasing the accuracy of our interpretations based on statistical data, would be of great help to us. We hope for further progress in the movement for calendar revision."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morley  
Secretary.

Approved:

W. S. Scales  
Chairman.