

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, April 11, 1939, at 10:30 a. m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Szymczak  
Mr. Davis  
Mr. Draper

Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman  
Mr. Thurston, Special Assistant to the Chairman  
Mr. Wyatt, General Counsel  
Mr. Goldenweiser, Director of the Division of Research and Statistics  
Mr. Dreibelbis, Assistant General Counsel

Mr. Szymczak stated that in accordance with the request made of him at the meeting of the Board on February 3, 1939, he was prepared to recommend to the Board that it approve a procedure under which the Federal Reserve Banks of New York and Chicago would submit their recommendations with respect to salaries of officers of the respective banks in March of each year with the understanding that the Board would take action thereon sometime during March so that the approved salaries would become effective on April 1; that the Federal Reserve Banks of Boston, Philadelphia, Cleveland and San Francisco would submit their recommendations with respect to salaries of officers of the Federal Reserve banks in April with the understanding that the Board would take action thereon sometime during April so that the approved salaries

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would become effective on May 1; and that the remaining Federal Reserve banks would submit their recommendations with respect to salaries of officers in May with the understanding that the Board would take action thereon during May so that the approved salaries would become effective on June 1. The members of the Board who were present indicated agreement with the proposed procedure and Mr. Szymczak stated that he would submit a formal recommendation for approval by the Board.

Mr. Szymczak stated for the information of the other members of the Board that he had requested Mr. Ruml, Deputy Chairman of the Federal Reserve Bank of New York, who had acted as Chairman of the meeting of the Chairmen of Federal Reserve banks on January 30, 1939, to come to Washington to discuss with him the desirability of adopting a plan under which the salaries of junior officers of Federal Reserve banks would be placed under a classification and the salaries of senior officers would continue to be considered individually. Mr. Szymczak added that subsequent to the conference with Mr. Ruml he would submit a recommendation to the Board on this matter also.

Mr. Ransom said that following the meeting of the Board yesterday and following his telephone conversation with Chairman Eccles he called the Secretary of the Treasury on the telephone and advised him that it was expected that all of the members of the Board would be in Washington today when further consideration could be given to

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the questions raised in his telephone conversation with Mr. Ransom yesterday. (In this connection Mr. Ransom stated that he had subsequently talked over the telephone with Mr. McKee who stated that because of illness in his family he would not return to the office until April 13 unless the members of the Board felt he should return before that time) Mr. Ransom said that he had also stated to the Secretary of the Treasury that he felt that at an appropriate time all of the members of the Board should meet with the Secretary for the purpose of having a full discussion of the field in which the Board and the Treasury should cooperate in the consideration of matters of interest to both so that there would be no occasion in the future for any feeling of lack of cooperation on the part of either the Board or the Treasury. The Secretary concurred in this suggestion, Mr. Ransom said, and thought that such a meeting would be beneficial.

Mr. Ransom's statement was followed by a discussion of various questions presented by various banking bills now before Congress. During the discussion Chairman Eccles reported that he had just received advice from the office of the Secretary of the Treasury that he was calling a meeting of the Inter-departmental Committee for Thursday, April 13, for the purpose of discussing the Brown Bill (S.2045) and other banking legislation.

At this point Messrs. Thurston, Wyatt, Goldenweiser and Dreibelbis left the meeting and the action stated with respect to



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each of the matters hereinafter referred to was then taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on April 10, 1939, were approved unanimously.

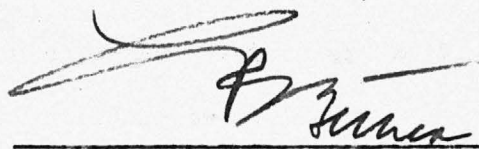
Telegram to the Presidents of all Federal Reserve banks, reading as follows:

"Board has called a meeting of the Presidents of the Reserve banks to convene with the Board at 10:30 a.m. on Monday, April 17, in Washington.

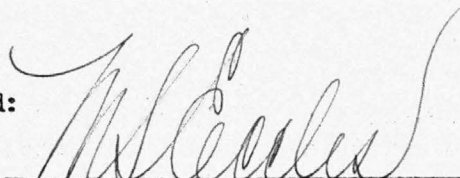
"It is hoped that you can conveniently arrange to be present. Please advise if you will attend."

Approved unanimously.

Thereupon the meeting adjourned.

  
Assistant Secretary.

Approved:

  
Chairman.