

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, March 29, 1940, at 11:30 a.m.

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

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on March 28, 1940, were approved unanimously.

Telegrams to Mr. Young, President of the Federal Reserve Bank of Boston, Messrs. Kimball, Post and Hays, Secretaries of the Federal Reserve Banks of New York, Philadelphia and Cleveland, respectively, Mr. Leach, President of the Federal Reserve Bank of Richmond, Messrs. Dillard, Stewart and Powell, Secretaries of the Federal Reserve Banks of Chicago, St. Louis and Minneapolis, respectively, Mr. Caldwell, Chairman of the Federal Reserve Bank of Kansas City, Mr. Gilbert, President of the Federal Reserve Bank of Dallas, and Mr. Hale, Secretary 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 March 26, by the Federal Reserve Banks of New York, Cleveland, Richmond, Chicago, St. Louis, Minneapolis, Kansas City and

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Dallas on March 28, 1940, and by the Federal Reserve Banks of Boston and Philadelphia today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Bonds, each in the amount of \$10,000, executed under date of March 12, 1940, by Messrs. Robert B. Caldwell as Federal Reserve Agent, Harry Herbert Rhodes as Assistant Federal Reserve Agent, Thomas Bruce Robb as Alternate Assistant Federal Reserve Agent, and Ira Arthur Thornton, William Russell Young and James Calvin Clark, Jr., as Federal Reserve Agent's Representatives, all at the Federal Reserve Bank of Kansas City.

Approved unanimously.

Memorandum dated March 29, 1940, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that George W. Blattner be employed for a period of one year, subject to renewal, with salary at the rate of \$5,000 per annum, effective immediately with the understanding that he will work on the project approved by the Board on January 10, 1939, of publishing a statistical manual which would contain material previously published in the Board's Annual Report. The memorandum stated that it had developed since the Board's action with respect to the statistical manual was taken that it would be desirable to make the publication a joint project containing statistics of the Board of Governors, the Comptroller of the Currency and the Federal Deposit Insurance Corporation, that the other two agencies were willing to share the

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salary of Mr. Blattner, but that it was Mr. Goldenweiser's recommendation that the Board assume the payment of the entire salary, allowing the contribution of the other agencies to be in the form of such additional assistance as may be needed in compiling material for the publication.

Approved unanimously, with the understanding that Mr. Blattner would be given the designation of Special Statistician.

Telegram to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"In accordance with the request contained in your letter of March 28, the Board approves appointment of W. Royden Watkins as an examiner for the Federal Reserve Bank of Richmond. Please advise us of the effective date."

Approved unanimously.

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

"In accordance with the recommendation contained in your letter of March 22, the Board approves the appointment of Weston Fay Volberg as an examiner for the Federal Reserve Bank of San Francisco. Please advise us of the date Mr. Volberg assumes his duties as examiner."

Approved unanimously.

Letter to the board of directors of "The First State Bank", Talpa, Texas, stating that, subject to conditions of membership numbered 1 to 3 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Dallas.

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Approved unanimously for transmission through the Federal Reserve Bank of Dallas.

Letter to Mr. John G. Nichols, Chief, Division of Examinations, Federal Deposit Insurance Corporation, reading as follows:

"This is in reply to your letter of March 25, 1940 regarding the proposed merger of the First State Bank of Scotch Plains, Scotch Plains, New Jersey, an insured non-member bank, with 'The Westfield Trust Company', Westfield, New Jersey, a member bank, which merger is to be facilitated by deficiency loans from your Corporation to each of the merging institutions.

"As requested in your letter, the Board of Governors of the Federal Reserve System hereby grants written consent, in accordance with the provisions of subsection (k)(2) of section 12B of the Federal Reserve Act, for examiners for the Federal Deposit Insurance Corporation to make an examination of The Westfield Trust Company in connection with the merger program."

Approved unanimously.

Letter to Mr. Caldwell, Chairman of the Federal Reserve Bank of Kansas City, reading as follows:

"At the completion of the examination of the Federal Reserve Bank of Kansas City, made as of February 2, 1940, by the Board's examiners, a copy of the report of examination was left for your information and the information of the directors. A copy was also furnished President Hamilton.

"The report does not appear to contain any matters requiring further comment at this time. The Board will appreciate advice, however, that the report has been considered by the Board of Directors. Any comments you may care to offer regarding discussions with respect to the examination or as to action taken or to be taken as a result of the examination will also be appreciated."

Approved unanimously.

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Thereupon the meeting adjourned.

Chester Howell
Secretary.

Approved:

W. Stiles
Chairman.