A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, March 16, 1942, at 2:00 p.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. McKee  
Mr. Draper  
Mr. Evans  
Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman

It was stated that Mr. R. M. Evans had been appointed by the President as a member of the Board for the unexpired portion of the 14-year term from February 1, 1940, and that he had taken his oath of office as a member of the Board on Saturday, March 14, 1942.

The action stated with respect to each of the matters hereinafter 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 13, 1942, were approved unanimously.

Memorandum dated March 10, 1942, from Mr. Nelson, Assistant Secretary, recommending that the following increases in salaries of employees in the Secretary's Office be approved, effective as of March 16, 1942:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>Salary Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>M. Peter Sarfaty</td>
<td>Clerk to Building Manager</td>
<td>$1,500 to $1,740</td>
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</table>
3/16/42  

Name: (Cont'd.)               Designation                  Salary Increase

M. DuBose MacDowell            Clerk                        $1,800   $2,000
Raymond C. Twomey              Foreman Operator             2,200    2,300
                                      (Dup. Devices)            1,620    1,680
June E. Ayers                  Stenographer                1,620    1,740
Helen Conley                   Stenographer                1,560    1,680
Helen B. Wolcott               Stenographer                1,620    1,800
Esther Severud                 Telephone Operator           1,260    1,440
Flora J. Griffith              Telephone Operator           1,620    1,300*
Jessie A. Sexton               Senior Guard                1,500    1,620
E. F. Anderson                 Assistant Supervising        1,260    1,320
Percy C. Riston                Porter                      1,200    1,320
                              Porter                      1,080    1,200
Philip D. Faber                Porter                      1,080    1,200
Michael Morley                 Porter                      1,200    1,320
Woodley Boothe                 Porter                      1,200    1,320
Herman Lee Tobler             Robert Sinclair            1,080    1,200
*A This adjustment in salary is to continue only during the period Mr. Anderson is serving as Acting Captain of the Guard.

Approved unanimously.

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

"Referring to your letter of January 12, 1942, and to the Board's letter of January 19, 1942, with regard to the salary of Mr. Albert Stannard, in view of the statements contained in your letter and the statements made to Mr. Smead while you were in Washington, the Board approves a salary of $3,456 per annum for Mr. Stannard.

With reference to your letter of March 5, in which you submitted a revised personnel classification page for the position of Chief Telegraph Operator, while the Board notes that you have included supervision of the Telegraph Department along with the Telegraph Department in the description of work for the position, it feels, in the light of salaries paid for similar positions elsewhere, that a maximum of $2,700 would generally be adequate for most
"persons occupying the position, and therefore does not approve a maximum salary of $3,000 for this position."

Approved unanimously.

Letter to the board of directors of "The Union Savings & Trust Co.", Warren, Ohio, stating that, subject to conditions of membership numbered 1 to 6 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 Cleveland.

Approved unanimously, together with a letter to Mr. Fleming, President of the Federal Reserve Bank of Cleveland, reading as follows:

"The Board of Governors of the Federal Reserve System approves the application of 'The Union Savings & Trust Co.', Warren, Ohio, for membership in the Federal Reserve System, subject to the conditions prescribed in the enclosed letter which you are requested to forward to the Board of Directors of the institution. Two copies of such letter are also enclosed, one of which is for your files and the other of which you are requested to forward to the Superintendent of Banks for the State of Ohio for his information.

"Since the amount of estimated losses shown in the report of examination for membership is small, the usual condition of membership requiring the elimination of losses has not been prescribed.

"Enclosed is a letter approving the retention and operation of a branch at Newton Falls, Ohio, which you are requested to forward to the board of directors of the applicant bank. Enclosed also is a copy of the letter for your files."

In connection with the above matter, the following letter to the board of directors of "The Union Savings & Trust Co.", Warren, Ohio, was also approved unanimously:
"In connection with the application of 'The Union Savings & Trust Co.', Warren, Ohio, for stock in the Federal Reserve Bank of Cleveland, the Board of Governors of the Federal Reserve System approves the retention and operation by The Union Savings & Trust Co., after admission to membership, of the branch at Newton Falls, Ohio, the establishment of which was approved effective as of July 7, 1937, by the Superintendent of Banks for the State of Ohio."

Letter to Mr. Swanson, Vice President of the Federal Reserve Bank of Minneapolis, reading as follows:

"Thank you for sending us with your letter of March 4, 1942, a descriptive folder relating to the Schaefer Pak-A-Way frozen food cabinets.

The Board agrees with you that the sizes under 12 cubic feet are covered by Regulation W inasmuch as they are clearly designed for household as well as commercial use.

Of course there is the possibility that the production of the cabinets may in the future be subject to curtailment due to scarcity of materials entering into their manufacture."

Approved unanimously.

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

"This will acknowledge your letter of February 28, 1942, inquiring as to the status of 'KoolShade' sun screens under Regulation W.

As indicated in the Board's letter of February 6, 1942 (S-437-a), the Board is of the opinion that screens and awnings are usually to be regarded as Group E items, because, although they are readily removable without damage to the building, they are usually made to fit a particular building and would not be suitable for use elsewhere without alterations. Similarly, the Board believes that Venetian blinds should be regarded as Group E items; and on the basis of the facts stated in your
"letter, the Board is inclined to the same view with respect to the 'KoolShade'.

"With respect to the question whether these screens should be regarded as seasonal goods within the meaning of section 4(d), the Board agrees with you that they should not, on the basis of the information furnished. Obviously, they have greater usefulness at some seasons than at others, and are useful a greater portion of the time in some climates than in others, but the same is true of shutters and window blinds."

Approved unanimously.

Telegram to Mr. Knoke, Vice President of the Federal Reserve Bank of New York, reading as follows:

"Referring your letter March 12, 1942, Board consents to opening and maintaining of accounts on books of your bank for and in the name of the Government of China, or for and in the name of agencies of the Government of China. The other Federal Reserve Banks are authorized to participate in such accounts and will be so advised by the Board."

Approved unanimously, with the understanding that copies of the above telegram and Mr. Knoke's letter of March 12, 1942, would be sent to the Presidents of all Federal Reserve Banks except New York.

Thereupon the meeting adjourned.

Chairman.

Approved:

[Signature]

Secretary.