

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, January 21, 1943, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Szymczak  
Mr. McKee  
Mr. Draper  
Mr. Evans

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 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 January 20, 1943, were approved unanimously.

Memorandum dated January 15, 1943, from Mr. Paulger, Chief of the Division of Examinations, recommending that, effective as of the date upon which he enters upon the performance of his duties after having passed satisfactorily the usual physical examination, Adolphus D. Wilburn be appointed on a temporary basis as an Assistant Federal Reserve Examiner, with salary at the rate of \$2,100 per annum, and with official headquarters at Memphis, Tennessee.

By unanimous vote, Mr. Adolphus D. Wilburn was appointed on a temporary basis as an examiner to examine Federal Reserve Banks, member banks of the Federal Reserve System, and corporations operating under the provisions of Sections 25 and 25(a) of

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the Federal Reserve Act, for all purposes of the Federal Reserve Act and of all other acts of Congress pertaining to examinations made by, for, or under the direction of the Board of Governors of the Federal Reserve System, and was designated as an Assistant Federal Reserve Examiner, with official headquarters at Memphis, Tennessee, and with salary at the rate of \$2,100 per annum, all effective as of the date upon which he enters upon the performance of his duties after having passed satisfactorily the usual physical examination.

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

"In accordance with the request contained in your letter of January 13, 1943, the Board approves the appointment of James S. Buster as an assistant examiner for the Federal Reserve Bank of Chicago. Please advise us of the date upon which the appointment becomes effective."

Approved unanimously.

Letter to Mr. Hitt, First Vice President of the Federal Reserve Bank of St. Louis, reading as follows:

"As you point out in your letter of January 11, the Board's letter of December 3, 1942 (S-597), with respect to the temporary reemployment of former employees who are over 65 years of age, made no reference to an age limit for such reemployment.

"The primary test with respect to the reemployment of any individual, of course, is the ability to do the particular work to which he will be assigned. In the present situation, with the need for full utilization of the available manpower, it does not seem appropriate to fix any arbitrary limit as to age, and the Board feels that the question of whether an individual 70 years of age or over should be reemployed temporarily is a matter to be determined by the management of your Bank."

Approved unanimously.

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

"Referring to your letter of January 11, the Board extends until February 16, 1943, the time within which the First Trust & Savings Bank, Pasadena, California, a subsidiary of Transamerica Corporation, shall file affiliate reports in connection with the bank's December 31, 1942, call report. It is understood that the Comptroller of the Currency has extended until February 16, 1943, the time in which national bank subsidiaries of Transamerica Corporation shall file their affiliate reports."

Approved unanimously.

Letter to the Presidents of all the Federal Reserve Banks, reading as follows:

"The Board would like to have information as to the extent to which the Reserve Banks have had occasion to make use of the exemption from Regulation W provided by section 8(h)(2) relating to the financing of repairs or replacements of property damaged or lost as a result of a flood or other similar disaster. We realize that we have been informed from time to time as to some of these disasters but we are not certain from our files that we are fully advised.

"Accordingly it would be appreciated if you would send to the Board a report on the disasters that have occasioned a finding pursuant to the above-mentioned section. The report should, if possible, contain information on the following subjects:

1. The nature of the disaster.
2. The sources of the requests for the exemption.
3. The nature of the investigations made.
4. The extent of consultation with representatives of the Disaster Loan Corporation and other interested agencies.
5. The description of the areas affected.
6. The period for which the exemption was made effective.
7. The methods taken to bring the exemption to the attention of affected persons.

"Any comments that you would care to make on your experiences with this provision would be helpful."

Approved unanimously.

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Memorandum dated January 19, 1943, from Mr. Ransom submitting with his approval a memorandum dated January 18 from Mr. Parry, Chief of the Division of Security Loans, and Mr. Thomas, Assistant Director of the Division of Research and Statistics, in which it was recommended, for the reasons stated in the memorandum, that the Board authorize the making of the annual retail credit survey formerly conducted by the Department of Commerce.

Approved unanimously, together with the following letter to the Presidents of all the Federal Reserve Banks:

"With the transfer of statistical work in the field of consumer credit from the Bureau of Foreign and Domestic Commerce to the Board of Governors, we assumed responsibility for the Retail Credit Survey formerly conducted annually by the Bureau. The enclosed memorandum from Mr. Parry and Mr. Thomas to the Board includes a brief statement of the considerations pro and con as to continuation of the survey.

"After a careful balancing of all of the factors, and also after securing the opinion of the System Retail Trade Committee, the Board has decided to conduct the survey this year, but to do so on a much restricted basis. Department stores and furniture stores are to be omitted from the survey because we have adequate monthly figures from these stores, and the number of items has been reduced to a minimum.

"There is enclosed a draft of a letter which may be used to address the prospective respondents. You will note that this letter contemplates supplying them with stamped return envelopes and duplicate copies of the schedules. A copy of the revised report schedule is also enclosed. You will be furnished with a stock of these schedules in the next few days unless you should prefer to print your own or reproduce them in some other way. If you wish to print your own, please wire us immediately.

"In the next few days you will receive a set of cards selected from the mailing lists of prior years. These cards represent respondents that have filed one or more returns in the last three years or those recently added to the list. This number of respondents for the whole country, 6,200, is only from one-third to one-half the number canvassed in prior

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"years. Please retain these cards as they are the sole record of responsiveness to the survey in past years as well as of the firms canvassed. Additions may be made to this list if you think it desirable to improve the sample for your district and are in a position to do so.

"Instructions to the Reserve Banks for editing and tabulating these data will be supplied later."

Letter to Mr. James A. Treanor, Jr., Director of the Trading and Exchange Division of the Securities and Exchange Commission, Philadelphia, Pennsylvania, reading as follows:

"Referring to your letter of January 18, we expect that the preliminary figures of investment holdings of member banks as of December 31, 1942, will be available in about a week. We will be glad to send you the desired data at that time for confidential use in connection with your study of the volume of savings in the United States."

Approved unanimously.

Thereupon the meeting adjourned.

Brester Morrie  
Secretary.

Approved:

W. S. ...  
Chairman.