

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, January 26, 1943, at 2:00 p.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 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 January 25, 1943, were approved unanimously.

Memorandum dated January 25, 1943, from Mr. Morrill, submitting the resignation of Mrs. Louise B. Douglas as a stenographer in the Secretary's Office, to become effective as of the close of business on February 4, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Memoranda dated January 11, 1943, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that the following increases in salaries of employees in that Division be approved, effective February 1, 1943:

1/26/43

-2-

<u>Name</u>	<u>Designation</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
Miss Helen R. Grunwell	Chief Draftsman	\$2,600	\$2,800
Miss Helen A. Lupton	Draftsman	2,300	2,500
Miss Grace R. Sahm	Draftsman	2,200	2,400
Miss Cecil Melanson	Draftsman	1,500	1,620

Approved unanimously.

Letter to Mr. Paddock, President of the Federal Reserve Bank of Boston, reading as follows:

"In accordance with your request the Board of Governors approves the changes in the personnel classification plan of the Federal Reserve Bank of Boston, as submitted with your letter of January 15, 1943."

Approved unanimously.

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

"Reference is made to your letters of January 7 and 8, 1943, regarding the action taken by your board of directors on January 7, with respect to the election of officers and fixing of officers' salaries.

"The Board of Governors approves the payment of salaries for the period ending March 31, 1943 to the following newly elected officers, or officers elected to new positions, at the rates as fixed by your board of directors indicated below:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
W. W. Turner	Assistant Vice President	\$6,500
Clarence T. Laibly	Assistant Cashier	4,700
Phil C. Carroll	Assistant Cashier	4,000
<u>DETROIT BRANCH</u>		
Harlan J. Chalfont	Manager	10,000

"It is noted that the other officers were re-elected for one year commencing April 1, 1943 and that the salaries fixed for them include a number of increases. Their present salaries have previously been approved for the period ending March 31, 1943 and in accordance with the regular procedure, the salaries of the officers at your Bank for the year

1/26/43

-3-

"beginning April 1, 1943 will be reviewed in March. It may be that some of the proposed adjustments, if made, would have to be certified to the Joint Committee established by the War Labor Board and the Commissioner of Internal Revenue. It is expected that this point will be clarified shortly and you will be advised if the certification procedure need be followed in any case."

Approved unanimously.

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

"In accordance with the request contained in your letter of January 7, 1943, the Board of Governors approves the fees and allowances fixed by your board for the directors of the Federal Reserve Bank of San Francisco and its Branches for the year 1943."

Approved unanimously.

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

"On May 28, 1942 the Board forwarded to you an outline of enforcement program under Regulation W. In this connection you were also advised that the Board would undertake to obtain the cooperation of the National Association of Supervisors of State Banks and the following supervisory agencies:

- Federal Deposit Insurance Corporation
- Comptroller of the Currency
- National Housing Agency
- Farm Credit Administration

"As you have heretofore been advised, the Board has received assurances from the National Association of Supervisors and these agencies of their cooperation in the program and has also received assurances of cooperation from the National Conference of State Small Loan Supervisors.

"Some of the Federal Reserve Banks have from time to time written to the Board outlining their activities under the enforcement program, which have been very gratifying, but we have not heretofore requested all of the Federal Reserve Banks to make such reports. It would seem desirable, however, for the Federal Reserve Banks to report to the Board periodically on their enforcement activities and with respect to

1/26/43

-4-

"the cooperation they are receiving from other agencies. It is not contemplated that these reports will be voluminous but only that they will be full enough to give the Board a picture of the extent and manner in which enforcement activities are being carried out in the various districts. The principal points which it is suggested be covered in these reports are as follows:

1. The number of Federal Reserve Bank Regulation W investigators (not including bank examiners);
2. Brief statement as to progress of Federal Reserve Bank's enforcement program in checking the Registrants in the various communities of the district and in the various lines of business;
3. The number of Registrants investigated, classified by type of business;
4. The approximate number of accounts and loans investigated, classified into instalment accounts, charge accounts, instalment loans, and single-payment loans;
5. The number of Registrants found to have violated the Regulation;
6. The number of apparently inadvertent violations, classified according to type;
7. Brief listing of apparently wilful violators, with nature of violation and present status of case;
8. Brief statement of the attitude toward the Regulation evidenced by the Registrants investigated;
9. Brief statement of the extent and character of cooperation received from representatives of other cooperating agencies; and
10. Any other facts which you feel may be of interest to the Board in connection with the enforcement program.

"It is assumed, of course, that in reporting on cooperation of representatives of other agencies your advice will be based on information obtained through normal contacts and conferences, rather than upon written or other formal requests for advice from such representatives as to the extent and nature of their cooperation. In this general connection it is requested that your report include a report, along the same lines as those described above, of Regulation W enforcement activities of your Bank Examination Department in State member banks and of the results obtained.

"It is requested that the first of these reports be made as of the period ending January 31, 1943, and that thereafter

1/26/43

-5-

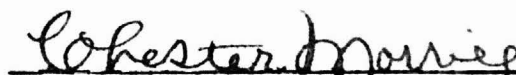
"such reports be submitted quarterly. Any Federal Reserve Bank which has previously reported on a part of this first period may, of course, include such reports by reference in its January 31st report."

Approved unanimously.

Thereupon the meeting adjourned.

Approved:

  
Chairman.

  
Secretary.