

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, March 2, 1943, at 2:00 p.m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
Mr. McKee
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 March 1, 1943, were approved unanimously.

Memorandum dated March 1, 1943, from Mr. Morrill, recommending that Philip D. Faber, a laborer in the Secretary's Office, be granted leave of absence without pay beginning March 6, 1943, so that he might enter active duty with the United States Army, and that he be granted the benefits provided in the policy adopted by the Board on November 14, 1940, and amended August 20, 1941, for all employees entering military service.

Approved unanimously, with the understanding that the payment of one month's unearned salary will be at the rate of basic salary plus overtime.

Memorandum dated February 27, 1943, from Mr. Goldenweiser, Director of the Division of Research and Statistics, submitting the resignation of Mrs. Maxine G. Stewart as an economic assistant in that

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Division, to become effective as of the close of business on February 28, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Letter to Mr. Sproul, President of the Federal Reserve Bank of New York, reading as follows:

"There is enclosed herewith a copy of a letter dated February 27, 1943 from the Deputy Commissioner of Internal Revenue containing a ruling to the effect that fees paid to directors of your Bank for attendance at meetings of the various committees of directors are not salary as contemplated by the Salary Stabilization Regulations. You will recall that this is in response to your letter to the Board of January 23 requesting a ruling on this subject."

Approved unanimously.

Letter to Mr. Alfred H. Williams, President of the Federal Reserve Bank of Philadelphia, reading as follows:

"This is to advise you that the Board of Governors notes without objection the salaries paid to employees of your Bank as of January 1, 1943, as shown in the statement accompanying Mr. Drinnen's letter of February 22, 1943."

Approved unanimously.

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

"This is to advise you that the Board of Governors notes without objection the salaries paid to employees of your Bank as of January 1, 1943, as shown in the statement accompanying Mr. Walden's letter of January 23, 1943."

Approved unanimously.

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

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"This is to advise you that the Board of Governors notes without objection the salaries paid to employees of your Bank as of January 1, 1943, as shown in the statement accompanying Mr. Hitt's letter of February 23, 1943."

Approved unanimously.

Letter to Mr. J. N. Peyton, President of the Federal Reserve Bank of Minneapolis, reading as follows:

"This is to advise you that the Board of Governors notes without objection the salaries paid to employees of your Bank as of January 1, 1943, as shown in the statement accompanying your letter of January 30, 1943."

Approved unanimously.

Letter to the board of directors of the "Hartsburg State Bank", Hartsburg, Illinois, 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 Chicago.

Approved unanimously, for transmission through the Federal Reserve Bank of Chicago.

Letter to Mr. Aaron M. Sargent, Attorney, San Francisco, California, reading as follows:

"In acknowledging receipt of your letter of February 19, 1943, please be advised the Board of Governors has no jurisdiction over the September Company."

Approved unanimously.

Memorandum dated February 25, 1943, from Mr. Carpenter, submitting changes suggested by Mr. Parry, Chief of the Division of

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Security Loans, in the statement with respect to Amendment No. 3 to Regulation W, Consumer Credit, for inclusion in the policy record for 1942, which was approved by the Board on February 17, 1943.

Approved unanimously.

Thereupon the meeting adjourned.

Chester Brown
Secretary.

Approved:

W. S. Cramer
Chairman.