

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, July 8, 1943, at 11:00 a.m.

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

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 July 7, 1943, were approved unanimously.

Memorandum dated July 6, 1943, from Mr. Smead, Acting Administrator for the War Loans Committee, recommending that the basic salary of Miss Mary Holmes, a clerk in the Office of the Administrator for the War Loans Committee, be increased from \$1,620 to \$1,740 per annum, effective July 16, 1943.

Approved unanimously.

Memorandum dated July 7, 1943, from Mr. Morrill, submitting the resignation of Mrs. Mary Cumberledge as a cafeteria helper in the Secretary's Office, to become effective as of the close of business on July 3, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

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

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"In accordance with your request, the Board of Governors approves the change in the personnel classification plan of the Federal Reserve Bank of St. Louis, covering the establishment of the position of Senior Credit Investigator in the Credit-Discount Department, with maximum annual salary of \$4,000 as submitted in your letter of June 8, 1943.

"In accordance with your request, the Board also authorizes the payment of salary to Mr. Edwin S. Coombs at the rate of \$6,000 per year until November 16, 1943."

Approved unanimously.

Letter to "The First National Bank of Windom", Windom, Minnesota,
reading as follows:

"This refers to the resolution adopted on March 19, 1943, by the board of directors of your bank, signifying the bank's desire to surrender its right to exercise fiduciary powers heretofore granted to it.

"The Board, understanding that your bank has been discharged or otherwise properly relieved in accordance with the law of all of its duties as fiduciary, has issued a formal certificate to your bank certifying that it is no longer authorized to exercise any of the fiduciary powers covered by the provisions of section 11(k) of the Federal Reserve Act, as amended. This certificate is enclosed herewith.

"In this connection, your attention is called to the fact that, under the provisions of section 11(k) of the Federal Reserve Act, as amended, when such a certificate has been issued by the Board of Governors of the Federal Reserve System to a national bank, such bank (1) shall no longer be subject to the provisions of section 11(k) of the Federal Reserve Act or the regulations of the Board of Governors of the Federal Reserve System made pursuant thereto, (2) shall be entitled to have returned to it any securities which it may have deposited with the State or similar authorities for the protection of private or court trusts, and (3) shall not exercise any of the powers conferred by section 11(k) of the Federal Reserve Act except with the permission of the Board of Governors of the Federal Reserve System."

Approved unanimously.

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Letter prepared for the signature of Chairman Eccles to the Secretary of State, reading as follows:

"Your letter of June 29, suggesting that I become a member of the Special Committee on Long-Term International Investment, would have had a prompter reply but I felt it advisable to discuss this matter informally with Mr. Berle, which I have done, and to give it careful consideration in the light of my own qualifications to serve usefully on the Committee and my various obligations and duties in connection with the work of the Board and other work as a member of several governmental committees.

"The task assigned to the Special Committee on Long-Term International Investment is, of course, of outstanding importance and is of particular interest to the Federal Reserve System, and I am, therefore, very glad that you felt we should have representation. I trust you will not think it inappropriate if I suggest that instead of myself, Dr. Alvin Hansen might more effectively serve on the Committee. He is devoting a considerable portion of his time to post-war studies for the Board and is especially qualified by his knowledge of and experience in the matters that are within the special province of this Committee. He is, of course, well acquainted with both Mr. Currie and Mr. White, the two members other than the Chairman, and has been associated with them in staff work on international problems, notably in connection with currency stabilization.

"I would appreciate your advising me whether this alternative suggestion meets with your approval."

Approved unanimously.

Statement for the press summarizing the principal results of the recent survey of the ownership of deposits made by the Board and the Federal Reserve Banks.

Approved unanimously, with the understanding that the statement would be given out today for immediate release.

Thereupon the meeting adjourned.

Approved:


Chairman.


Secretary.