

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, February 16, 1944, at 11:00 a.m.

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

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 February 15, 1944, were approved unanimously.

Memorandum dated January 18, 1944, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that the basic salary of Miss Frieda Baird, an Associate Economist in that Division, be increased from \$4,800 to \$5,100 per annum.

Approved unanimously, effective February 16, 1944.

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

"In accordance with the request contained in your letter of February 10, 1944, the Board approves the appointment of Harold J. Brown as an assistant examiner for the Federal Reserve Bank of Chicago and his transfer from the Personnel Department without reduction in his

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"present annual salary of \$3,620, which is \$120 in excess of the maximum for an assistant examiner under the classification plan of your Bank. Please advise us of the date upon which the appointment becomes effective."

Approved unanimously.

Letter to Mr. Meyer, Assistant Cashier of the Federal Reserve Bank of Chicago, reading as follows:

"The Board of Governors approves the changes in the personnel classification plan of the Federal Reserve Bank of Chicago, as submitted with your letters of February 2 and February 4, 1944."

Approved unanimously, together with a letter to the Joint Committee on Salaries and Wages transmitting the original and four copies of two certificates of the Federal Reserve Bank of Chicago with respect to increases in the maximum annual salaries for 13 positions approved in the above letter.

Letter to Mr. Gilbert, President of the Federal Reserve Bank of Dallas, reading as follows:

"The Board of Governors approves the appointments of Messrs. Charles R. Moore, E. P. Simmons, Lawrence S. Pollock, Ira T. Moore, and Jake L. Hamon as members of the Industrial Advisory Committee for the Eleventh Federal Reserve District to serve for terms of one year each, beginning March 1, 1944, in accordance with the action taken by the Board of Directors of the Federal Reserve Bank of Dallas, as reported in your letter of February 10, 1944."

Approved unanimously.

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

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"The Board of Governors approves the appointments of Messrs. Henry D. Nichols, Walter A. Starr, Wakefield Baker, Shannon Crandall, and Edmund Hayes as members of the Industrial Advisory Committee for the Twelfth Federal Reserve District to serve for terms of one year each, beginning March 1, 1944, in accordance with the action taken by the Board of Directors of the Federal Reserve Bank of San Francisco, as reported in your letter of February 3, 1944."

Approved unanimously.

Letter to the "Liberty State Bank", St. Paul, Minnesota, reading as follows:

"The Board is glad to learn that you have completed all arrangements for the admission of your bank to the Federal Reserve System and takes pleasure in transmitting herewith a formal certificate of your membership.

"It will be appreciated if you will acknowledge receipt of this certificate."

Approved unanimously.

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

"Retel February 15. Board extends to March 15, 1944, time within which Peoples Savings Bank, Port Huron, Michigan, may accomplish membership in System."

Approved unanimously.

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

"In your letter of January 31, 1944, you refer to the Board's letter of October 30, 1943, and request suggestions with respect to any special investigations to be made in connection with the examination of the Peoples Bank, Lakewood Village, California, which you have scheduled for the month of March.

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"Since the date of the Board's letter you have reported further changes in the official personnel of the bank and furnished an extract from the report of examination as of September 15, 1943, by the State authorities showing a list of the bank's stockholders and indicating by symbol and footnote that 3,000 of the bank's 5,000 outstanding shares were at that time reported to be controlled by Bank of America interests. This has special significance in connection with condition of membership numbered 4, of course, and it is understood that you are endeavoring to ascertain the facts in the matter.

"No doubt it is your intention to develop whatever information may be obtained in the course of the examination with respect to compliance with the letter and intent of condition of membership numbered 4 and it is suggested that Mr. Cagle, who is now in San Francisco, may be in a position to offer some assistance in determining the procedure to be followed."

Approved unanimously.

Letter to Mr. E. W. Kane, President of the Worthington National Bank, Worthington, Minnesota, reading as follows:

"Many thanks for your letter of February 10, 1944, which has been read with interest by the members of the Board.

"As you probably know, the Banking and Currency Committee in the House, after extensive hearings attended by many spokesmen for exchange-charging banks, reported out favorably the companion bill (H.R. 3956) to the Senate bill (S. 1642) to which the Board's report was addressed. The bill in the House will probably be brought up in due course for action by that body. The Senate bill, at this time, is pending in the Banking and Currency Committee in the Senate awaiting action by that Committee."

Approved unanimously.

Memorandum dated February 15, 1944, from Mr. Morrill recommending, for the reasons stated therein, that the limitation on the

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amount of supplies which might be carried in the stock room be increased and that, effective as of January 1, 1944, the Secretary's Office be authorized to purchase and carry supplies in the stock room in an amount not to exceed \$12,000 at any one time instead of \$10,000 as previously authorized.

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morrie
Secretary.

Approved:

W. S. ...

Chairman.