A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, December 16, 1944, 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. 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 December 15, 1944, were approved unanimously.

Memorandum dated December 9, 1944, from Mr. Vest, Assistant General Attorney, recommending with the concurrence of Mr. Dreibelbis, General Attorney, that Mastin G. White be appointed as an Assistant General Attorney, with basic salary at the rate of $10,000 per annum, effective as soon as his release from the Army can be obtained and he reports for duty after having passed satisfactorily the usual physical examination. The memorandum stated that Mr. White was a member of the Civil Service Retirement System and, therefore, would not become a member of the Board's retirement system.

Approved unanimously.

Memorandum dated November 29, 1944, from Mr. Goldenweiser,
12/16/44

Director of the Division of Research and Statistics, recommending that the temporary appointment of Eduardo Montealegre, South American specialist in the International Section of that Division, be extended for an additional period of one year from December 31, 1944, and that his basic salary be increased from $2,900 to $3,300 per annum. The memorandum stated that Mr. Montealegre would not become a member of the Board’s retirement system.

Approved unanimously, with the understanding that the increase in salary for Mr. Montealegre would become effective January 1, 1945. It was also understood that a letter would be sent to Mr. Montealegre’s draft board, Local Board No. 10, in the following form:

"Mr. Eduardo L. Montealegre has an 'Alien Certificate of Nonresidence' (Form 303) issued by your Board, which has an expiration date of December 31, 1944.

'Mr. Montealegre, who is thirty years old, married, and a citizen of Nicaragua, came to the United States on July 5, 1941, with a student’s status. He began his studies at American University in Washington, D.C., and then studied for a year at the Graduate School at Harvard University. In August 1943, he came to the Board of Governors of the Federal Reserve System in order to gain practical training and experience before returning to Nicaragua. At that time it was expected that he would remain with the Board for about a year, but the 'Alien Certificate of Nonresidence' which he then had from your Board expired January 31, 1944. At the request of the Inter-American Training Administration this date was extended to January 1, 1945.

'The training program which we had planned for Mr. Montealegre was interrupted by the absence from the United States of two members of our staff with whom he was to work. They have recently returned from South America and the material which they have brought back with them will afford an exceptional opportunity for Mr. Montealegre to complete his training, and the experience gained here at the Board through his own efforts will be of valuable assistance to
"Mr. Montealegre's sole purpose in remaining in this country is to complete the training which he is receiving from us and which he expects to put to use in his own country upon return to his home; and we are assured that it is his intention to return to his country when his training is completed."

Memorandum dated November 29, 1944, from Mr. Goldenweiser, Director of the Division of Research and Statistics, recommending that the following increases in basic annual salaries of employees in that Division be approved:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>Salary Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Everett E. Hagen</td>
<td>Economist</td>
<td>$4,600 to $5,000</td>
</tr>
<tr>
<td>Emanuel T. Weiler</td>
<td>Economist</td>
<td>$4,600 to $5,000</td>
</tr>
</tbody>
</table>

Approved unanimously, with the understanding that the proposed increases would become effective December 16, 1944.

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

"The Board of Governors approves payment of salaries to the following officers of the Federal Reserve Bank of New York for the period January 1, 1945 to March 31, 1945, inclusive, at the rates indicated, which are the rates fixed by your Board of Directors, as reported in your letter of December 7, 1944:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reginald B. Wiltse</td>
<td>Vice President</td>
<td>$15,000</td>
</tr>
<tr>
<td>William F. Sheehan</td>
<td>Chief Examiner</td>
<td>$14,000</td>
</tr>
<tr>
<td>Insley B. Smith</td>
<td>Managing Director, Buffalo Branch</td>
<td>$9,000</td>
</tr>
</tbody>
</table>

"The Board of Governors also approves the designation of Mr. Wiltse as officer in charge of the Bank Examination Department and his appointment as an examiner for the Federal Reserve Bank of New York."

Approved unanimously.
Letter to Mr. Stewart, Vice President of the Federal Reserve Bank of St. Louis, reading as follows:

"The Board of Governors approves the changes in the personnel classification plan of the Memphis Branch, involving the establishment of two new positions, as submitted with your letter of December 11, 1944."

Approved unanimously.

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

"The Board of Governors approves payment of salaries to the following officers of the Federal Reserve Bank of San Francisco for the period January 1, 1945 to April 30, 1945, inclusive, at the rates indicated, which are the rates approved by the Directors of your Bank, as reported in your letter of December 5, 1944:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>R. H. Morrill</td>
<td>Assistant Manager, Seattle Branch</td>
<td>$5,500</td>
</tr>
<tr>
<td>D. E. Simms</td>
<td>Assistant Manager, Seattle Branch</td>
<td>5,300</td>
</tr>
</tbody>
</table>

Approved unanimously.

Letter to Honorable Tom Connally, Chairman, Committee on Foreign Relations, United States Senate, reading as follows:

"Pursuant to the request contained in your letter of December 8, there is attached hereto a report from the Federal Reserve Bank of New York relating to transactions handled through that Bank, other than its Foreign Funds Control Department, which pertain to the operations of Anderson Clayton and Company. Operations of the Foreign Funds Control Department are under the jurisdiction of the United States Treasury Department and information in this respect available at the Federal Reserve Banks is also available at the Treasury. It is understood that the Treasury has already furnished you with the desired information with respect to Foreign Funds Control transactions."
"We have been advised by the Federal Reserve Bank of Dallas that no transactions of Anderson Clayton and Company appear to have been handled through that Bank, other than through its Foreign Funds Control Department."

Approved unanimously.

Letter to Mr. Peter H. Odegard, Consultant to the Secretary, Treasury Department, reading as follows:

"This will acknowledge your inquiry of December 4, which was followed by our telephone conversation about the Board's procedure governing the release of information.

"We have been publishing the Federal Reserve Bulletin since 1915. Practically all Board announcements and information appear in it. Currently various statements on banking and business conditions are released for immediate use by the press and others, but most of this information appears later in the Bulletin.

"Addresses are made occasionally by members of the Board and by members of the staff. Depending upon the nature of the address, its importance, and its bearing on the controversial, it may or may not be cleared with others before being delivered. Our organization is well seasoned, we believe, and the persons who are called upon to make addresses know pretty well what subjects should be cleared with others before presentation and what need not.

"Very much the same holds true for addresses given by officers of the Federal Reserve Banks. They are not required to be submitted to the Board in advance, but frequently a Federal Reserve Bank officer will, on his own initiative, clear an address before delivering it. He will in any event report it after its delivery.

"Our information service falls roughly into three classes. First, there is the routine handling of publications which can be sent in response to requests for given information without the preparation of any special reply. Second, there is correspondence of a special nature involving, for example, specific inquiries regarding the status of gold, how money is put into
"circulation, what the latest business indexes are, etc., etc. This correspondence requires the preparation of special replies and has to be cleared, of course, with the specialists in the proper fields. Third, there are special announcements or press releases from time to time, which are handled by the Special Assistant to the Chairman. These also usually reappear in the Bulletin.

"The Board submits an annual report to Congress as required by the Federal Reserve Act. It maintains informal contact with the House and Senate Committees on banking and monetary matters, to which it submits information as occasion arises. It has direct relations with other Government departments with which its responsibilities give it most contact, both formal and informal.

"If the foregoing does not answer adequately the questions raised in your letter and our telephone conversation, I shall be glad to go into the matter further with you."

Approved unanimously.

Letter to Miss Helen A. Taylor, Federal Advertising Agency Inc.,

New York, New York, reading as follows:

"Your letter of November 14 to the Department of Commerce, inquiring about automobile dealer opinions on the question of wholesale and retail financing of automobiles in the postwar period, has been referred to us.

"This is a matter on which we have too little information at this time to justify us in attempting to answer your question. You are of course familiar with the views that have been put forward from time to time by automobile dealers in their trade journals, which seem to us to suggest that opinion in the Trade has not yet crystallized."

Approved unanimously.
Thereupon the meeting adjourned.

Approved:

Chairman.

Secretary.