A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Saturday, March 10, 1945, at 10:30 a.m.

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

Mr. Morrill, Secretary
Mr. Thurston, 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 9, 1945, were approved unanimously.

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

"The Board of Governors approves, effective January 1, 1945, the changes in the personnel classification plan of the Federal Reserve Bank of Richmond in connection with the reorganization of the Research Department, as submitted with your letter of March 6, 1945."

Approved unanimously, together with a letter to the Commissioner of Internal Revenue, Salary Stabilization Unit, transmitting a certificate of the Federal Reserve Bank of Richmond with respect to the establishment of new positions at the Bank.

Letter to Honorable James F. Byrnes, Director, Office of War Mobilization and Reconversion, reading as follows:
Reference is made to your letter of January 8, 1945, to the heads of all Government agencies asking that steps be taken to curtail travel by Government officials, that a procedure be established to insure that personnel are permitted to travel only when absolutely essential, that all possible measures be taken to consolidate travel to reduce the number of trips to a minimum, and that a report be submitted within 60 days showing the percentage of reduction of travel effected as a result of your request.

Your letter was promptly brought to the attention of the offices and divisions of the Board and its staff with a memorandum stressing the importance of cooperating to the fullest possible extent by avoiding travel on the part of members of the organization and participation in arrangements for travel on the part of others when not absolutely essential. In order to determine the percentage of reduction of travel which the Board's organization has effected, three bases of comparison have been used; namely, (1) a comparison of the cost of trips made during January and February 1945 with the same two months in 1944; (2) a comparison of the cost of trips made during January and February 1945 with the two preceding months; and (3) a comparison of the cost of trips made or projected during January and February 1945 with the cost of trips cancelled or called off in deference to your request. The percentage of reduction computed on these bases and in the order stated are (1) 27.3 per cent, (2) 17.2 per cent, and (3) 10.5 per cent. Since your letter referred to increases in passenger traffic resulting in an overloading of our railway system, the 'cost of trips' factor in our computations was confined to railway fares.

Your letter was also brought to the attention of the Chairmen and Presidents of all Federal Reserve Banks with the suggestion that, if there were not already in existence at each Bank a method of reviewing the necessity of all travel by members of the head office and branch staff or proposals for travel on the part of others in which the Bank might be interested, such a system be set up; that a report be submitted to the President of the Bank as soon as practicable, showing the reduction in travel which the Bank has been able to effect; and that,
"When the President has reviewed this report, the Board be furnished with a copy thereof with the President's comments. Replies have been received from most of the Reserve Banks, indicating that they have already effected a considerable reduction in travel and have been pursuing a policy of limiting travel to that deemed vital to the conduct of the Bank's business. However, several of the Banks indicated that they have formalized their existing policy and established a new procedure for determining the essentiality of travel. All of the Banks from which replies have been received have assured the Board of their cooperation with the spirit of your letter, but in most cases they expect to be able to effect very little further reduction in travel.

"The Board seldom calls System meetings requiring the attendance of 50 or more people. There are, however, smaller System groups, some of which are required by statute to meet at least four times a year and others that meet from time to time. It is the Board's intention to keep System meetings of the latter type to a minimum and to reduce the number of persons in attendance at such meetings to the smallest number consistent with the proper conduct of System business. At the suggestion of the Board, for example, a Conference of Chairmen of Federal Reserve Banks scheduled to be held in Washington this month has been indefinitely postponed and the Executive Committee of the Federal Advisory Council cancelled a meeting which it had also planned to hold in Washington within the month. These meetings, respectively, would have required travel to Washington by twelve Chairmen from as many different Federal Reserve districts and travel by at least five members and the Secretary of the Council. Moreover, a System meeting held in Washington early this month was scheduled with the expectation that three Economists from each of the twelve Federal Reserve Banks might attend but, in the light of your request, instructions were issued to the Banks that the attendance should be confined to one research representative from each institution."

Approved unanimously.
Thereupon the meeting adjourned.

[Signature]
Chester Morris
Secretary.

[Signature]
Approved: [Signature]
Chairman.