

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Friday, March 8, 1946, at 10:30 a.m.

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

Mr. Carpenter, Secretary  
Mr. Connell, General Assistant,  
Office of the Secretary  
Mr. Morrill, Special Adviser  
Mr. Thurston, 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 March 7, 1946, were approved unanimously.

Telegrams to Messrs. Treiber, McCreedy, Dillard, Stewart, and Mangels, Secretaries of the Federal Reserve Banks of New York, Philadelphia, Chicago, St. Louis, and San Francisco, respectively, stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on March 5 and 7, by the Federal Reserve Bank of St. Louis on March 6, and by the Federal Reserve Banks of New York, Philadelphia, and Chicago on March 7, 1946, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

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Telegram to Mr. Blair, Secretary of the Federal Reserve Bank of Cleveland, stating that the Board approves effective March 9, 1946, the elimination of the rate of one per cent on advances to nonmember banks under the last paragraph of Section 13, of the Federal Reserve Act, with the understanding that the rate of two per cent established effective October 27, 1942, on advances to individuals, partnerships and corporations other than banks, under the last paragraph of Section 13, would hereafter include nonmember banks, and the establishment without change of the other rates of discount and purchase in the Bank's existing schedule.

Approved unanimously.

Memorandum dated March 6, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that the salaries of the following employees of that Division be increased as indicated below, effective as of the beginning of the first pay-roll period following approval by the Board:

<u>Name and Title</u>	<u>From</u>	<u>To</u>
<u>Clerk</u>		
Garber, Margaret R.	\$2,364	\$2,496
<u>Clerk-Stenographers</u>		
Loyd, Isabel Dolores	2,100	2,232
Dippre, Doreen	1,836	1,968
Leatherwood, Lois M.	1,860	1,968

Approved unanimously.

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Memorandum dated March 6, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that Mrs. Tressa B. Hemminger be appointed as a Clerk-Stenographer in that Division on a permanent basis, with salary at the rate of \$2,298 per annum, effective as of the date upon which she enters upon the performance of her duties, after having passed the usual physical examination. The memorandum also stated that Mrs. Hemminger, who resigned from the Board on January 11, 1943, would be reinstated in the Federal Reserve Retirement System.

Approved unanimously.

Memorandum dated March 7, 1946, from Mr. Parry, Director of the Division of Security Loans, reading as follows:

"The List of Registered Stocks, which is used with Regulation U, is being printed in full this year and the Federal Reserve Banks have recommended that copies be sent to all banks. With allowance for extra copies this will require a run of 25,000 copies, which will cost approximately \$1,200.

"The budget of the Division of Administrative Services for printing the List and three quarterly Supplements is \$200, which was based on previous distribution of 3,000 copies. I recommend that the budget be increased by whatever amount is determined upon as being the cost of this job, leaving \$200 for the Supplements which will also be in larger distribution than heretofore."

Approved unanimously.

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

"This refers to your letter of January 29, 1946, regarding the minimum rate of interest a member bank may

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"charge on loans to depositors upon the security of time deposits.

"Inasmuch as the President's Conference was meeting in Washington when this matter was considered by the Board it was decided to refer it to the Conference for the views of the Presidents. While the Conference recognized the decline in interest rates since the establishment of the present rate on the deposits under Regulation Q and thought that in due time the regulation should be changed, it was not disposed to favor the suggested change at this time particularly since the number and amount of loans secured by time deposits have been small.

"The Board of Governors concurs in the view of the Presidents regarding this matter especially since it is believed to be desirable at this time that no further encouragement should be given to any tendency that might exist to shift deposits from a demand to a time classification. As indicated in your letter, it is felt that the matter is not of great importance and that at an appropriate time in the future it might well be considered again."

Approved unanimously.

Letter to Mr. E. F. Bartelt, Fiscal Assistant Secretary of the Treasury, reading as follows:

"This letter is in acknowledgment of yours of March 1, 1946, addressed to Chairman Eccles in which you advise that the next Fiscal Agency Conference will be held at the Grove Park Inn in Asheville, North Carolina, during the week beginning May 19. We are pleased to note your invitation to the Board to be represented at the meeting and to make any comments or suggestions that it may have to offer.

"Mr. Szymczak will endeavor to be present at the Conference and it is planned that Messrs. Morrill, Smead, Myrick and Piser of the Board's staff will also attend."

Approved unanimously.

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Thereupon the meeting adjourned.

*[Handwritten Signature]*  
Secretary.

Approved:

*[Handwritten Signature]*  
Chairman.