

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, April 29, 1946, at 10:30 a. m.

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

Mr. Carpenter, 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 April 26, 1946, were approved unanimously.

Memorandum dated April 23, 1946, from Mr. Bethea, Director of the Division of Administrative Services, recommending that the basic annual salary of each of the following employees in that Division be increased to the amount set opposite his name, effectively May 5, 1946:

<u>Name</u>	<u>Title</u>	<u>Increase in Salary</u>	
		<u>From</u>	<u>To</u>
Joseph E. Kelleher	Administrative Assistant	\$4,520	\$4,740
J. Frank Bell	Head Chauffeur	2,100	2,166
Howard W. Stull	Chauffeur	1,980	2,034
Herman Lee Tobler	Guard	1,800	1,902
Dorothy Reamey	Page	1,620	1,704

Approved unanimously.

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Memorandum dated April 25, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending that Miss Mary Maroney, an Economist in that Division, be granted leave without pay because of illness for such time as may be necessary within the period April 21 through June 1. The memorandum also stated that Miss Maroney is a member of the Board retirement plan with death benefits and recommended that the Board authorize continuation of her death benefits for the period of leave of absence without pay with the understanding that she would make appropriate contributions therefor.

Approved unanimously.

Memorandum dated April 25, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, recommending, with the concurrence of Mr. Carpenter, that Miss Ruby Andrews, a File Clerk in the Office of the Secretary, be transferred to the Division of Research and Statistics at her present salary of \$2,298 per annum, effective May 6, 1946.

Approved unanimously.

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

"This is in reply to your letter of April 20, 1946, advising that at the meeting of the Board of Directors held on April 19, Dr. W. H. Irons was

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elected a Vice President of the Bank, with the understanding that he will continue to serve as head of the Research Department, and that his salary was fixed at \$9,000 per annum, effective June 1, 1946.

"It is noted that action was taken by the directors at this time since the University of Texas had called upon Dr. Irons for a decision as to whether he would return to the University upon the expiration of his leave of absence this June. It is noted also that the extension of the employment of Dr. Irons is in accordance with the understanding when he came to the Bank last July that he would continue in the employ of the Bank if the arrangement during the first year proved to be mutually satisfactory.

"The Board of Governors approves the action of your directors in changing the designation of Dr. W. H. Irons, the officer in charge of the Research Department, from Director of Research to Vice President. The Board also approves payment of salary to Dr. Irons in his new capacity as Vice President at his present rate of \$7,500 per annum, until the end of the current salary year, and at the rate of \$9,000 per annum, for the period June 1, 1946, to May 31, 1947."

Approved unanimously.

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

"Reference is made to your letter of March 28, 1946, advising that the directors had authorized the Bank to assume two-thirds of the cost of providing hospital care and surgical benefits as presently available for officers and employees of the Federal Reserve Bank of Richmond and its Branches and their dependents through the Blue Cross organization at an estimated cost to the Bank of approximately \$26,000 per year based on the present staff and assuming 100 per cent participation. In accordance with Mr. Guthrie's request, action on this letter has been deferred pending further developments in the surgical benefit program for Baltimore.

"The Board approves the expenditure under the program as submitted.

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"It is understood that a program to provide surgical benefits to the employees of the Baltimore Branch and their dependents will be submitted for the Board's approval at a later date."

Approved unanimously.

Letter to Mr. Anderson, Acting Chairman of the Security Advisory Board, Department of State, Washington, D. C., reading as follows:

"In accordance with the request contained in your letter of April 18, 1946, the Board of Governors has designated its Security Officer, Mr. Elliott Thurston, Assistant to the Chairman, as its representative to act as liaison in all matters affecting the security of the Board of Governors."

Approved unanimously.

Letter to "Farmers State Bank", Plainville, Indiana, reading as follows:

"The Board is glad to learn that you have completed all arrangements for the admission of your bank to membership in 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.

Letter to Federal Deposit Insurance Corporation, Washington, D. C., reading as follows:

"Pursuant to the provisions of section 12B of the Federal Reserve Act, as amended, the Board of Governors of the Federal Reserve System hereby certifies that the 'First State Bank of Corpus Christi', Corpus Christi, Texas, became a member

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"of the Federal Reserve System on April 23, 1946, and is now a member of the System. The Board of Governors of the Federal Reserve System further hereby certifies that, in connection with the admission of such bank to membership in the Federal Reserve System, consideration was given to the following factors enumerated in subsection (g) of section 12B of the Federal Reserve Act:

- "1. The financial history and condition of the bank,
- "2. The adequacy of its capital structure,
- "3. Its future earnings prospects,
- "4. The general character of its management,
- "5. The convenience and needs of the community to be served by the bank, and
- "6. Whether or not its corporate powers are consistent with the purposes of section 12B of the Federal Reserve Act."

Approved unanimously.

Memorandum dated April 26, 1946, from Mr. Hooff, Assistant Counsel, recommending that there be published in the May issue of the Federal Reserve Bulletin statements in the form attached to the memorandum with respect to the following subjects:

Limitations on National Bank Real  
Estate Loans to Veterans

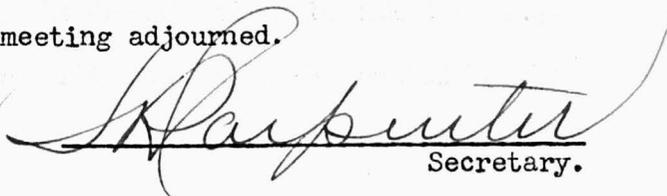
Foreign Funds Control  
Treasury Department Release

Approved unanimously.

Thereupon the meeting adjourned.

Approved:

  
Chairman.

  
Secretary.