

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, November 27, 1946.

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

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Thurston, Assistant to the Chairman

As stated in the minutes of October 30, 1946, Mr. Vardaman was absent on official business.

Memorandum dated November 27, 1946, from Chairman Eccles, recommending that Mr. Lawrence Clayton be appointed as Assistant to the Chairman, in the Board Members' Section, with basic salary at the rate of \$15,000 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination. The memorandum also stated that it was contemplated that Mr. Clayton would become a member of the Federal Reserve retirement system.

Approved unanimously.

Memorandum dated November 27, 1946, from Chairman Eccles, recommending that the following increases in basic annual salaries of employees in the Board Members' Section be approved, effective at the beginning of the next pay roll period following approval by the Board:

Name	Title	Proposed Increase	
		From	To
Charles Norris	Clerk	\$2,619.72	\$2,845.44
Bishop Hart	Messenger	2,168.28	2,243.52

Approved unanimously,
effective December 1, 1946.

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Memorandum dated November 26, 1946, from Mr. Carpenter, recommending that Miss Frances A. Burton be transferred from the Division of Administrative Services to the Secretary's Office as a file clerk, with an increase in her basic annual salary from \$1,888.00 to \$1,954.00, the transfer to be effective November 27, 1946, and the salary increase December 1, 1946.

Approved unanimously.

Memorandum dated November 22, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, submitting the resignation of Mrs. Mary W. Smelker, an economist in that Division, and recommending that the resignation be accepted, to become effective in accordance with her request at the close of business November 24, 1946, and that appropriate payment be made for the accumulated annual leave remaining to her credit at that time.

The resignation was accepted as recommended.

Memorandum dated November 25, 1946, from Mr. Smead, Director of the Division of Bank Operations, submitting the resignation of Mrs. Lillian Wopat, a clerk in that Division, and recommending that the resignation be accepted to become effective in accordance with her request at the close of business December 13, 1946, and that appropriate payment be made for the accumulated annual leave remaining to her credit at that time.

The resignation was accepted as recommended.

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

"The Board of Governors approves the changes in the personnel classification plan of the Federal Reserve Bank of New York, involving the R. F. C. Custody Department, as submitted with your letter of November 22, 1946."

Approved unanimously.

Telegram to Mr. Wayne, Vice President of the Federal Reserve Bank of Richmond, reading as follows:

"Retel November 27. Board approves designation of William C. Norton of Baltimore Branch as special assistant examiner for Federal Reserve Bank of Richmond."

Approved unanimously.

Letter to Mr. Meyer, Assistant Vice President 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 involved in the consolidation of the operations of the Sales Analysis Division of the Bond Department with the operations of the Issuing Agents Division, as submitted with your letter of November 22, 1946."

Approved unanimously.

Letter to Mr. Leedy, President of the Federal Reserve Bank of Kansas City, reading as follows:

"Reference is made to your letter of November 22, 1946, requesting the Board's approval of a payment to the Retirement System of \$3560.73 on behalf of two employees, Ruth Sander and Harvey Bryant.

"The Board approves the payment as requested."

Approved unanimously.

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Letter to Mr. Leland, Federal Reserve Agent of the Federal Reserve Bank of Chicago, reading as follows:

"In accordance with the request contained in Mr. Meyer's letter of November 22, 1946, the Board of Governors approves, effective December 1, 1946, the payment of salaries to the following members of the Federal Reserve Agent's Staff at the rates indicated:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
Carl Schelling	Asst. Federal Reserve Agent	\$5,200
Charles J. Scanlon	Alternate Asst. Federal Reserve Agent	5,500
August J. Pettke	Federal Reserve Agent's Representative, Detroit Branch	4,900
Everett D. Jones	Federal Reserve Agent's Representative, Detroit Branch	4,400"

Approved unanimously.

Letter to Mr. Bowman, Manager, Credit Department, Federal Reserve Bank of New York, reading as follows:

"This refers to your letter of November 15, 1946, regarding investigations of Household Specialty Co., Elmira, New York, showing apparent violations of Regulation W. The letter and the enclosed copies of investigation reports were sent to the Board in accordance with its letter S-909, but in view of the fact that this registrant will apparently not be subject to the Regulation as revised, it is not contemplated that any further action will be taken in connection with this case. We understand that this is in accord with your views."

Approved unanimously.

Letter to Mr. Bowman, Manager, Credit Department, Federal Reserve Bank of New York, reading as follows:

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"This refers to your letter of November 7, 1946, and previous correspondence relating to examinations of Shapiro Bros. Co., Inc., Oswego, New York, showing apparent violations of Regulation W.

"Your letter pointed out that the last examination showed that the registrant was making a serious effort to comply with the Regulation. Moreover, the enclosures showed that the registrant would apparently not be subject to Regulation W under the proposed revision, which was then being considered here.

"In view of these circumstances, it is not contemplated that any action will be taken with respect to this matter, and we understand that this accords with your views."

Approved unanimously.

Letter to Mr. T. R. Leonard, Editor, Northwest Used Car Values, Northwest Publishing Co., 90 University Street, Seattle 1, Washington, reading as follows:

"Regulation W, as revised effective December 1, 1946, in Part 4 of the Supplement includes a provision effective after January 1, 1947, with respect to used car appraisal guides. This provision is stated on page 15 of the copy of the revised regulation which is enclosed. You will recall that a similar provision was in effect prior to the establishment of used car price ceilings.

"The Board is considering reestablishing its designation of your guide or guides for the purpose of Regulation W. In this connection it desires to obtain the information set forth below, to bring up to date the material already in the Board's files.

1. The exact name of the appraisal guide or guides published by your organization which in your opinion will reflect, after January 1, 1947, the estimated average retail values of used automobiles in one or more localities, along with an exact statement of the territory in which, in your opinion, such guide (or each guide if you publish more than one) reflects such values.

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"2. An indication of the dates on which issues are planned during the remainder of 1946 and in 1947, and the dates within which each issue is to be effective.

3. A statement of the circulation of the latest issue of each such guide, indicating (1) the number of subscribers in each state and (2) the total number of copies subscribed for in each state.

4. A description of the class of cars (reconditioned, as-is, etc.) to which the 'retail' quotations in the guide are intended to apply.

5. A brief description of the method by which your organization arrives at or plans to arrive at the 'retail' quotations. It is not necessary to repeat this information if the method to be used has already been described to us and you refer us to the communication in which it was submitted.

6. The model years to be covered by the issues to be distributed in 1947.

7. The method of allowing for such extras as overdrives, radios, and heaters, including some indication of the amount of such allowances.

"In order to be certain that we have the latest issue of your guide or guides, we would appreciate it if your letter is accompanied by a copy.

"It will be helpful to us if the information outlined above reaches the Board by Monday, December 9. Should you wish to submit any information regarding your publication in addition to that requested above, please submit it promptly in writing. The Board hopes to make designations at an early date.

"We appreciate your cooperation."

Approved unanimously, together with similar letters to six other car appraisal guide publishers.

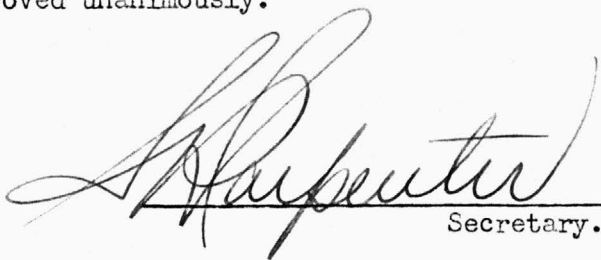
Memorandum dated November 27, 1946, from Mr. Thomas, Director of the Division of Research and Statistics, and Mr. Smead, Director of the Division of Bank Operations, recommending that the "Miscellaneous" item of the non-personal budget of the Division of Bank Operations

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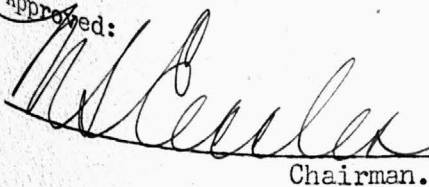
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be increased \$500.00 to cover the cost of obtaining the services of the Federal Deposit Insurance Corporation and their punch-card tabulating machine equipment in connection with the preparation by the Division of Research and Statistics of a memorandum covering bank activities in consumer instalment financing.

Approved unanimously.


Secretary.

Approved:


Chairman.