Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, October 18, 1948.

PRESENT: Mr. McCabe, Chairman
Mr. Eccles
Mr. Szymczak
Mr. Draper
Mr. Clayton

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Morrill, Special Adviser
Mr. Thurston, Assistant to the Board

Minutes of actions taken by the Board of Governors of the Federal Reserve System on October 15, 1948, were approved unanimously.

Letter to the Honorable George C. Marshall, Secretary of State, reading as follows:

"As you know, the Board of Governors last winter at the request of the Philippine Government lent the services of two of its experts, Mr. David L. Grové and Mr. John Exter, to the Philippine Government as advisers on new banking legislation that has since been adopted by the Philippine Congress. A part of this legislation provided for the establishment of a Philippine central bank. The Board has since received a request from the Philippine Government that Mr. Grove and Mr. Exter return to Manila in order to assist the Philippine authorities in organizing the bank. It is not possible for the Board to spare Mr. Exter for this assignment, but in compliance with the request of the Philippine Government, arrangements are being made for Mr. Grove to go to Manila for a period of six months in order that he may render the Philippine authorities the assistance they desire.

Our understanding is that the Philippine Government considers it of the utmost importance that organization of the new central bank be pushed forward."
"immediately. In view of this fact and of an interest in collaborating with the Philippine authorities as effectively as possible we are happy to do as much as we can in acceding to their wishes."

Approved unanimously.

Letter to the board of directors of the "Duquesne City Bank", Duquesne, Pennsylvania, stating that, subject to conditions of membership numbered 1 and 2 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System, and for the appropriate amount of stock in the Federal Reserve Bank of Cleveland.

Approved unanimously, for transmission through the Federal Reserve Bank of Cleveland.

Telegram to the Presidents of all Federal Reserve Banks reading as follows:

"Evaporative air coolers which do not incorporate a refrigerating unit are not air conditioners within the meaning of Regulation W."

Approved unanimously.

Letter to the Honorable E. H. Foley, Jr., Acting Secretary of the Treasury, United States Treasury Department, prepared pursuant to the action at the meeting on October 8, 1948, reading as follows:

"Reference is made to your letter of October 4, 1948, requesting that consideration be given to transferring the sum of $250,000 to the Bureau of Engraving
"and Printing in order that it may acquire twenty presses to be used in the production of currency.

"In view of the considerations outlined in your letter and in the conversation between you and your associates and Chairman McCabe on October 6, the Board has given favorable consideration to the request. Accordingly, the sum of $250,000 necessary for procuring the presses mentioned above will be prorated among the Federal Reserve Banks as an expense incidental to the printing of Federal Reserve notes. The Bureau has been informally advised of the Board's action and will, it is understood, submit its voucher requesting reimbursement for the cost of the equipment."

Approved unanimously.

Memorandum dated October 13, 1948, from Mr. Carpenter recommending, for the reasons stated in the memorandum, that the Division of Administrative Services be authorized to advance to a member of the staff who has been authorized pursuant to the travel regulations of the Board to travel, such reasonable amounts as may be needed for official travel not to exceed $500 at any one time, with the understanding that (1) in each such case the traveler would make application for the advance in substantially the form now in use, in which, as security for the advance, consent is given by the employee to the deduction from the amount due him for accumulated annual leave and to his credit in the retirement system any amount due in the event of his failure properly to account for the funds advanced, and (2) the amount of the advance should not exceed the total of the funds pledged as security.
10/18/48

Approved unanimously.

Approved:

[Signature]
Secretary.

[Signature]
Chairman.