

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, November 26, 1948.

PRESENT: Mr. Szymczak, Chairman pro tem.  
Mr. Draper  
Mr. Evans

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

Telegrams to the Federal Reserve Banks of Richmond, Chicago, St. Louis, Minneapolis, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on November 23, by the Federal Reserve Banks of Chicago, St. Louis, and Minneapolis on November 24, 1948, and by the Federal Reserve Banks of Richmond, Minneapolis, and Dallas today, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated November 24, 1948, from the Division of Personnel Administration submitting memoranda from the heads of the divisions indicated below recommending increases in the basic annual salaries of the following employees in those divisions, effective November 28, 1948:

<u>Name</u>	<u>Designation</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
<u>RESEARCH AND STATISTICS</u>			
Francis R. Pawley	Economist	\$6,474.60	\$6,714.00
John H. Neill, Jr.	Administrative Asst.	5,106.60	5,733.60

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Name	Designation	Salary Increase	
		From	To
<u>RESEARCH AND STATISTICS (Cont'd)</u>			
Harold F. Chapin	Economist	\$5,106.60	\$5,232.00
Laura M. Gilman	Economist	4,479.60	4,605.00
Ethel L. Evans	Clerk	4,103.40	4,228.80
Alice Swindlehurst	Clerk	3,601.80	3,727.20
Elva H. Townsend	Clerk	2,874.48	2,949.72
Mary Murphy	Clerk-Typist	2,799.24	2,874.48
Elsie T. Nelson	Research Assistant	3,476.40	3,727.20
Tressa B. Hemminger	Secretary	3,225.60	3,476.40
A. Regina Hurley	Library Assistant	2,799.24	2,949.72
Patricia V. Johnson	Clerk-Stenographer	2,648.76	2,799.24
June Truitt	Clerk-Stenographer	2,648.76	2,799.24
<u>PERSONNEL ADMINISTRATION</u>			
J. Edward Kilgore	Personnel Assistant	5,608.20	5,733.60
June E. Ayers	Personnel Technician	4,228.80	4,479.60

Approved unanimously.

Memoranda from Mr. Bethea, Director of the Division of Administrative Services, recommending the following appointments in that Division, effective as of the dates upon which the appointees enter upon the performance of their duties after having passed the usual physical examination:

Date of Memo.	Name	Title	Salary	Duration of Appointment
11/24/48	Mrs. Jane T. Turner	Stenographer	\$2,724.00	Permanent
11/24/48	Miss Mary Ellen Spitsbergen	Page	2,086.00	Permanent

Approved unanimously.

Letter prepared in accordance with the discussion at the meeting on November 5, 1948, for Chairman McCabe's signature to Mr. Avery, Chairman of the Federal Reserve Bank of Chicago, reading as follows:

"Your letter of October 29, 1948, stating that you must not accept reappointment as a Class C Director and designation as Chairman and Reserve Agent of the Federal

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"Reserve Bank of Chicago after the expiration of your present term at the end of this year, was read and discussed at a recent meeting of the Board. The Board concluded that, much as it regretted the loss of your services as a Director and Chairman of one of the Federal Reserve Banks, it could take no action other than to accede to your request, and it has, accordingly, taken steps to select a suitable successor.

"The Board has asked unanimously that this letter be sent to you expressing its appreciation of the outstanding contribution you have made in the relatively short period during which you have served as Chairman of the Federal Reserve Bank of Chicago. You quickly showed an understanding of the role of the Chairman of a Federal Reserve Bank, and by your thoughtful interest in the System and sound judgment, at once gained the highest respect and admiration of the members of the Board. More than that, your unusual understanding of men and consideration for them, and your delightful sense of humor, won for you their deep affection.

"The Board will find it difficult indeed to fill the place you will leave, but it sends to you this sincere expression of the gratification felt by every Board member for having had you as Chairman of a Federal Reserve Bank."

Approved unanimously.

Telegram to Mr. Peterson, Vice President of the Federal Reserve Bank of St. Louis, reading as follows:

"Reurlet. November 22, 1948. Board approves designation of Thomas L. Folger as a special assistant examiner for the Federal Reserve Bank of St. Louis."

Approved unanimously.

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

"Last sentence of Board's letter of November 24, 1948, regarding amendments to Regulation J indicates desirability of furnishing copy of amended regulation, together with copy of statement enclosed with our letter, to banks in your district. In lieu of this procedure,

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"you may wish to furnish to the banks at this time a copy of statement enclosed with our letter, together with text of amendments to Regulation J, with advice that a copy of the amended regulation will be furnished later. Presumably you will also send copy of amended cash collection circular at later date to member and nonmember clearing banks in your district. We plan to reprint Regulation J with new amendments and we hope to have copies available in about a week or ten days. Please wire number of copies you would like to have shipped to your bank."

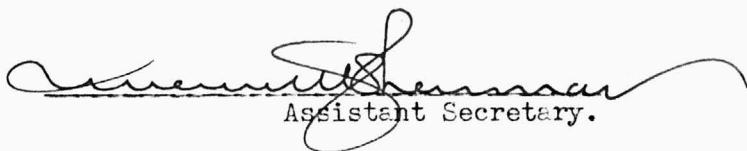
Approved unanimously.

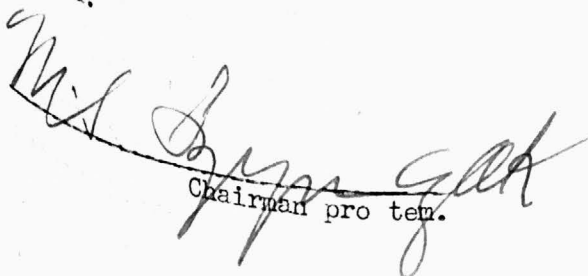
Telegram to Mr. DeMoss, Vice President of the Federal Reserve Bank of Dallas, reading as follows:

"Reurtel November 23 concerning applicability of Regulation W to used car dealers who ostensibly extend no credit themselves in connection with the sale of used automobiles but do refer or take prospective purchasers to a financing institution where credit is extended by the financing institution to the purchaser for the maximum loan value of the automobile. If the arrangement is such that the dealer is not in fact acting as agent for the financing institution in the extension of such credit, the regulation would not apply to the dealer with respect to that credit. The facts in the case would determine whether or not the dealer is a Registrant."

Approved unanimously.

Approved:

  
Assistant Secretary.

  
Chairman pro tem.