

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, May 27, 1949.

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

Mr. Carpenter, Secretary  
Mr. Sherman, Assistant Secretary

Telegrams to the Federal Reserve Banks of New York, Cleveland, Richmond, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on May 24, by the Federal Reserve Bank of St. Louis on May 25, by the Federal Reserve Banks of New York, Cleveland, Richmond, Chicago, Minneapolis, Kansas City, and Dallas on May 26, 1949, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated May 27, 1949, from Mr. Draper, recommending an increase in the basic salary of Miss Gertrude E. Trivett, stenographer in his office, from \$2,724 to \$2,799.24 per annum, effective May 29, 1949.

Approved unanimously.

Memorandum dated May 25, 1949, from Mr. Morrill, Special Adviser to the Board, recommending an increase in the basic salary of Miss Anne Malia, secretary to Mr. Morrill, from \$3,601.80 to \$3,727.20 per annum, effective May 29, 1949.

Approved unanimously.

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Memorandum dated May 16, 1949, from Mr. Young, Associate Director of the Division of Research and Statistics, recommending increases in the basic annual salaries of the following employees in that Division, effective May 29, 1949:

<u>Name</u>	<u>Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
Wilellyn Morelle	Economist	\$3,978.00	\$4,103.40
Lee W. Langham	Research Assistant	3,024.96	3,225.60
Betty S. Meyer	Clerk	2,874.48	2,949.72
Loretta Freedman	Clerk	2,724.00	2,799.24
Doris Bruderer	Clerk-Stenographer	2,799.24	2,874.48

Approved unanimously.

Memorandum dated May 26, 1949, from Mr. Bethea, Director of the Division of Administrative Services, recommending the appointment of Alfred W. Minutolo as an operator (tabulation equipment) in that Division, with basic salary at the rate of \$2,974.80 per annum, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination.

Approved unanimously.

Secretary's note: Mr. Minutolo's appointment was previously approved by the Board on March 29, 1949, but the appointment was not accepted.

Letter to Mr. Edward T. McCormick, Assistant Director, Division of Corporation Finance, Securities and Exchange Commission, reading as follows:

"This refers to your letter of May 17, 1949, in which you state that the Securities and Exchange Commission is

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"participating as a statutory party in proceedings for re-organization of Pittsburgh Railways Company under Chapter X of the Bankruptcy Act in the United States District Court for the Western District of Pennsylvania. You also state that in these proceedings, Mr. Elmer Bauer, President of Allegheny Trust Company of Pittsburgh, Pennsylvania, has been appointed as one of the disinterested trustees of the debtor and that in connection with your Commission's investigation of the qualifications and disinterestedness of Mr. Bauer under the standards set forth in the statute, you would like to have information with respect to the holders of common stock of Allegheny Trust Company, particularly any stock of Allegheny Trust Company held by Farmers Deposit National Bank of Pittsburgh or Mellon National Bank of Pittsburgh, or other banks or trust companies.

"For the confidential use of your Commission, we may say that a review of the report of examination of the Allegheny Trust Company, Pittsburgh, Pennsylvania, made as at the close of business December 10, 1948, reveals that Mr. E. E. Bauer is President of the Allegheny Trust Company, and that the only capital stock of Allegheny Trust Company specifically mentioned by the examiner as being held by banks or trust companies are 523 shares held by Mac and Company, nominees for Mellon National Bank and Trust Company of Pittsburgh, which shares are said to have been acquired for debts previously contracted.

"It is understood, of course, that this information will be used only in developing leads in connection with your investigation, that no reference will be made to the source of the information, and that it will not be used as evidence in any proceeding."

Approved unanimously.

Telegram to Mr. Earhart, President of the Federal Reserve Bank of San Francisco, reading as follows:

"At request of State Department a meeting is being arranged of representatives of American banks having Shanghai offices to discuss possible discrimination against foreign banks in Shanghai. Will you please inform Bank

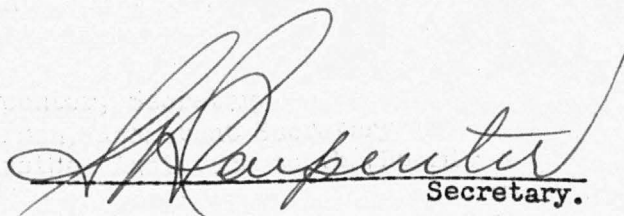


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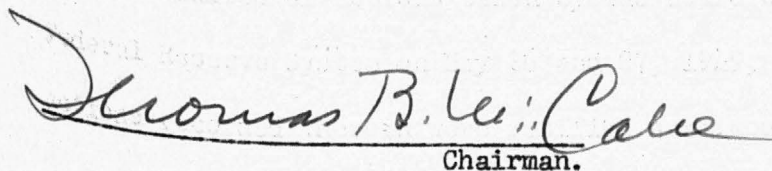
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"of America of request that it send representation? Meeting will be at Board's offices, 2:30 p.m., Wednesday, June 1, and will be attended by State, Treasury, and Board representatives. Please inform us of Bank of America's reply."

Approved unanimously.

  
Secretary.

Approved:

  
Chairman.