

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Tuesday, October 25, 1949.

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

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

Memorandum dated October 19, 1949, from Mr. Young, Director of the Division of Research and Statistics, recommending that the appointment of Arthur W. Marget as Assistant Director of the Division of Research and Statistics, approved by the Board June 24, 1949, be modified to Specialist on International Economic Policy, an unclassified non-official position, with no change in the basic salary previously approved at the rate of \$13,500 per annum.

Approved unanimously.

Memorandum dated October 21, 1949, from Mr. Millard, Director of the Division of Examinations, stating that R. B. Chamberlin, a Federal Reserve Examiner in that Division, has reached age 61 and has filed an application for retirement under the Board Plan of the Federal Reserve Retirement System which permits retirement after thirty years of service and attainment of age 60, effective at the close of business October 31, 1949.

Noted.

Memorandum dated October 25, 1949, from Mr. Young, Director of the Division of Research and Statistics, recommending that the

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resignation of Mack Gilbert, Jr., a messenger in that Division, be accepted to be effective, in accordance with his request, at the close of business October 28, 1949.

Approved unanimously.

Letter to Mr. Gregory O'Keefe, Attorney, Federal Reserve Bank of New York, reading as follows:

"The Board has been advised by Mr. Logan, Vice President and General Counsel of the Federal Reserve Bank of New York, that the arrangement outlined in the Board's letter of October 20, 1949, with respect to the loan of your services to assist Mr. Townsend, Solicitor of the Board, in legal work connected with the Transamerica hearings is agreeable to the Federal Reserve Bank of New York. The Board also understands from your conversation with Mr. Morrill that you would like to render this service.

"As stated in the Board's letter to Mr. Logan, the Board will reimburse the Federal Reserve Bank of New York for your salary and the Bank's contributions to the Retirement System on your behalf covering the period of your absence from New York for the purpose of assisting Mr. Townsend in connection with the Transamerica hearings, and will reimburse you direct for necessary transportation expenses plus per diem in lieu of subsistence at the rate of \$9.00, in accordance with the Board's official travel regulations of which a copy is enclosed, together with the rental cost of a small, modest apartment or suitable hotel accommodations as shown by receipted bill. This arrangement will be reviewed before the end of this calendar year.

"It is understood in this connection that you expect to leave New York on Friday afternoon, October 28, arriving in San Francisco on Monday, October 31, and that you will then report to Mr. Leonard Townsend, Solicitor of the Board, who will give you such instructions as to the details of your assignment as may be necessary.

"The Board is very appreciative of your willingness to render this service."

Approved unanimously.

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Letter to Mr. Morrison, Vice President of the Federal Reserve Bank of Cleveland, reading as follows:

"For the reasons outlined in your letter of October 18, 1949, the Board of Governors approves the payment of salary to Mr. John Haliski at the rate of \$2,760.00 per year effective November 1, 1949. It is understood that this rate of pay is in excess of the maximum of the salary grade for the job which Mr. Haliski will occupy after October 31, 1949."

Approved unanimously.

Letter to Mr. Young, President of the Federal Reserve Bank of Chicago, reading as follows:

"This is to acknowledge with thanks your letter of October 14, 1949, with enclosures regarding the plan recently agreed upon for constructing the wall of the Detroit Branch addition adjacent to the Dime Building and the \$14,636.14 of additional cost therefor to be charged against the authorized \$100,000 allowance for contingencies.

"It is noted that the wall is to be set entirely on the Detroit Branch's land and be constructed of a steel and concrete backing with marble facing. It is also noted that the wall will be tied into the Dime Building wall with steel ties.

"Your courtesy in keeping the Board informed is appreciated."

Approved unanimously.

Letter to Mr. Prochnow, Secretary, Federal Advisory Council, P. O. Box A, Chicago, Illinois, reading as follows:

"With further reference to your letter of October 14, the Board would appreciate it very much if the following items could be added to the agenda for the forthcoming meeting of the Federal Advisory Council:

1. The Board would like to have the current

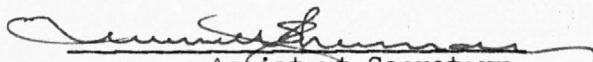
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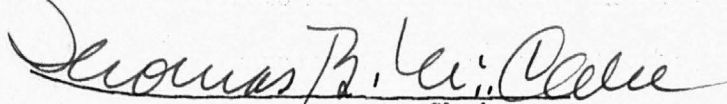
"views of the members of the Council regarding probable economic and business conditions during the next three to six months.

2. What suggestions does the Council have to make regarding System credit policy during that period?
3. Does the Council have any further comments to make with respect to the December financing?
4. The Board has been asked to submit to the President the legislative program affecting the Federal Reserve System which the Board desires to have considered at the forthcoming session of Congress. The formulation of the Board's views on that matter is now in process and it would be glad to have any advice or recommendations that the Council might wish to make in that connection.
5. Are there any matters in connection with the questionnaires sent out by the Douglas subcommittee of the Joint Committee on the Economic Report that the Council would like to discuss with the Board?"

Approved unanimously.

  
Assistant Secretary.

Approved:

  
Chairman.