

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

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

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Morrill, Special Adviser

Minutes of actions taken by the Board of Governors of the Federal Reserve System on November 23, 1949, were approved unanimously.

Telegrams to the Federal Reserve Banks of Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of Chicago on November 21, by the Federal Reserve Bank of San Francisco on November 22, by the Federal Reserve Banks of Cleveland, Richmond, Atlanta, and St. Louis on November 23, by the Federal Reserve Bank of Minneapolis on November 23 and 25, and by the Federal Reserve Bank of Dallas on November 25, 1949, of the rates of discount and purchase in their existing schedules.

Approved unanimously.

Memorandum dated November 18, 1949, from Mr. Millard, Director of the Division of Examinations, recommending that the official headquarters of Philip C. Rachford, an Assistant Federal Reserve Examiner in that Division, be changed from Nashville, Tennessee, to Birmingham, Alabama, effective immediately.

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Approved unanimously.

Memorandum dated November 17, 1949, from Mr. Young, Director of the Division of Research and Statistics, recommending an increase in the basic salary of Daniel H. Brill, an economist in that Division, from \$6,800 to \$7,600 per annum, effective November 27, 1949.

Approved unanimously.

Memorandum dated November 25, 1949, from Mr. Carpenter, Secretary of the Board, recommending an increase in the basic salary of William R. Corkhum, minutes clerk in the Secretary's Office, from \$3,225 to \$3,450 per annum, effective November 27, 1949.

Approved unanimously.

Memorandum dated November 14, 1949, from Mr. Young, Director of the Division of Research and Statistics, recommending an increase in the basic salary of Miss Loretta Freedman, a clerk in that Division, from \$2,970 to \$3,035 per annum, effective November 27, 1949.

Approved unanimously.

Memorandum dated November 23, 1949, from Mr. Bethea, Director of the Division of Administrative Services, recommending the appointment of Fred J. Lowe as a laborer in that Division on a temporary basis for a period of two months, with basic salary at

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the rate of \$2,120 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.

Letter to Mr. Leach, President of the Federal Reserve Bank of Richmond, reading as follows:

"Reference is made to your Bank's letters of September 29, 1949, and October 27, 1949, in which you advised that it appears expenses for certain functions at your head office and branches will exceed the 1949 estimates as follows:

<u>Function</u>	<u>Richmond</u>	<u>Baltimore</u>	<u>Charlotte</u>
General Overhead	\$21,000		\$2,500
Provision of Space	55,000		6,000
Furniture and Equipment	15,000	\$5,000	
Provision of Personnel	7,100		
Postage and Expressage			4,400
Insurance		400	
Securities	2,700		2,000
Currency and Coin	32,000	5,000	14,000
Federal Reserve Note Issues	115,000		
Research and Statistical			100

"The Board accepts the revised figures as submitted, and appropriate notations are being made in the Board's records."

Approved unanimously.

Letter to Mr. Frank Pace, Jr., Director of the Bureau of the Budget, reading as follows:

"In compliance with a request received from the Senate Committee on Banking and Currency, the Board has prepared the enclosed report on the bill H.R. 5512 to amend section 13 of the Federal Farm Loan Act, as amended.

"Before transmitting this report, the Board will

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"appreciate advice as to the relationship of the proposed legislation to the program of the President."

Approved unanimously.

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

"Your wire November 23. Board approves a further loan or loans on gold to be extended by your Bank to Banco Central del Ecuador on the following terms and conditions:

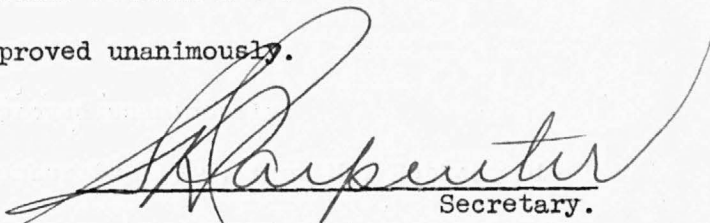
(A) The amount to be advanced under this arrangement not to exceed \$3,400,000 in the aggregate at any one time outstanding; such loan or loans to be made up to 98 per cent of the value of gold bars held in your vaults as collateral;

(B) Each such loan or renewal thereof to run for 90 days, but no loan or renewal thereof to mature later than 180 days after the date of the first such loan and in no event later than June 1, 1950;

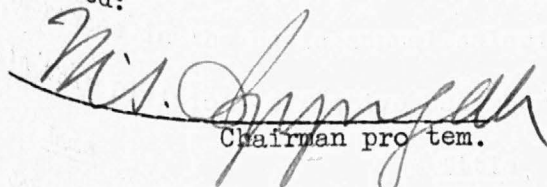
(C) Each such loan and any renewal thereof to bear interest from the date such loan is made or renewed until paid, at the discount rate of your Bank in effect on the date on which such loan or renewal is made.

"It is understood that the usual participation will be offered to the other Federal Reserve Banks."

Approved unanimously.


Secretary.

Approved:


Chairman pro tem.