

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, January 18, 1950.

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

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 January 17, 1950, were approved unanimously.

Letter to Mr. Sproul, President of the Federal Reserve Bank of New York, reading as follows:

"Reference is made to your letter of January 5, 1950, requesting the Board's approval of increases in the salaries of nine of the junior officers at the head office and Buffalo Branch, and to the previous correspondence in November and December 1948 regarding such increases.

"In November 1948, you requested a percentage increase in the salaries of 16 of the junior officers, because of a similar increase given to employees under the Job Evaluation and Classification Plan. At that time, the Board suggested that consideration of the increases in officers' salaries be deferred until the time of the next annual review of officers' salaries, and it is noted that in March 1949 adjustments were made in the salaries of a number of those junior officers. However, at that time, no adjustments were made in the salaries of the officers for whom increases are now proposed.

"In your absence, Governor Szymczak has discussed this matter with First Vice President Rounds and has suggested to him that, in view of all the circumstances, consideration of adjustments in the salaries of the nine junior officers be deferred until the next annual review of officers' salaries, which will occur in March of this year."

Approved unanimously.

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Letter to Mr. Dawes, Vice President and Secretary of the Federal Reserve Bank of Chicago, reading as follows:

"The Board of Governors approves the reappointments of Messrs. Edward J. Doyle, Walter Harnischfeger, Edward M. Kerwin, G. Barrett Moxley, and James L. Palmer as members of the Industrial Advisory Committee for the Seventh Federal Reserve District to serve for terms of one year each, beginning March 1, 1950, in accordance with the action taken by the Board of Directors of the Federal Reserve Bank of Chicago, as reported in your letter of January 13, 1950."

Approved unanimously.

Letter to Mr. Johns, Vice President, Federal Reserve Bank of Kansas City, reading as follows:

"For the reasons outlined in your letter of January 13, 1950, the Board of Governors approves the payment of salary to Guy F. Brent, mail clerk in the Fiscal Agency department at the rate of \$2,478 per annum which is in excess of the maximum rate of the grade in which his position is classified."

Approved unanimously.

Letter to the Federal Deposit Insurance Corporation, reading as follows:

"Pursuant to the provisions of section 12B of the Federal Reserve Act, as amended, the Board of Governors of the Federal Reserve System hereby certifies that the 'West Texas State Bank', Snyder, Texas, became a member of the Federal Reserve System on January 14, 1950, and is now a member of the System. The Board of Governors of the Federal Reserve System further hereby certifies that, in connection with the admission of such bank to membership in the Federal Reserve System, consideration was given to the following factors enumerated in subsection (g) of section 12B of the Federal Reserve Act:

1. The financial history and condition of the bank,

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2. The adequacy of its capital structure,
3. Its future earnings prospects,
4. The general character of its management,
5. The convenience and needs of the community to be served by the bank, and
6. Whether or not its corporate powers are consistent with the purposes of section 12B of the Federal Reserve Act."

Approved unanimously.

Letter to The National Bank of Bloomington, Bloomington, Illinois, reading as follows:

"The Board of Governors of the Federal Reserve System has given consideration to your supplemental application for additional fiduciary powers, and, in addition to the authority heretofore granted to act as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics, grants you authority to act, when not in contravention of State or local law, in any other fiduciary capacity in which State banks, trust companies or other corporations which come into competition with national banks are permitted to act under the laws of the State of Illinois, the exercise of all such rights to be subject to the provisions of the Federal Reserve Act and the regulations of the Board of Governors of the Federal Reserve System.

"This letter will be your authority to exercise the fiduciary powers granted by the Board pending the preparation of a formal certificate covering such authorization, which will be forwarded to you in due course."

Approved unanimously.

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

"Reference is made to your letter of January 5, 1950, submitting the request of 'The Cleveland Trust Company', Cleveland, Ohio, for permission to establish a branch in Middleburgh Heights, Ohio.

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"It is understood that approval of the appropriate State authorities has been obtained and in view of your recommendation the Board of Governors approves the establishment and operation of a branch in Middleburgh Heights, Ohio, by The Cleveland Trust Company, Cleveland, Ohio, provided such branch is established within six months of the date of this letter and with the understanding that Counsel for the Reserve Bank will review and satisfy himself as to the legality of the steps taken to establish the branch."

Approved unanimously.

[Handwritten Signature]
Secretary.

Approved:

[Handwritten Signature]
Chairman.

Before this meeting... Board of Governors... Federal Reserve... since 1930... 1940...

No. Further... 1940, at which... discussing the 1940 budget... Bank, he had...