

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, May 7, 1951.

PRESENT: Mr. Martin, Chairman
Mr. Szymczak
Mr. Evans
Mr. Vardaman
Mr. Norton
Mr. Powell

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary
Mr. Kenyon, Assistant Secretary

Minutes of actions taken by the Board of Governors of the Federal Reserve System on May 4, 1951, were approved unanimously.

Memorandum dated May 1, 1951, from Mr. Marget, Director of the Division of International Finance, recommending that the resignation of Miss Marilyn Marlor, a clerk in that Division, be accepted to be effective, in accordance with her request, May 25, 1951.

Approved unanimously.

Memorandum dated May 1, 1951, from Mr. Sloan, Assistant Director of the Division of Examinations, recommending that, effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination and subject to the completion of a satisfactory employment investigation, Grover C. Page be appointed on a temporary indefinite basis as an Assistant Federal Reserve Examiner, with salary at the rate of \$5,500 per annum, and with official headquarters at Dallas, Texas.

By unanimous vote, Mr. Grover C. Page was appointed an Examiner

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to examine Federal Reserve Banks, member banks of the Federal Reserve System, and corporations operating under the provisions of Sections 25 and 25 (a) of the Federal Reserve Act, for all purposes of the Federal Reserve Act and of all other Acts of Congress pertaining to examinations made by, for, or under the direction of the Board of Governors of the Federal Reserve System, and was designated as an Assistant Federal Reserve Examiner, with official headquarters at Dallas, Texas, and with basic salary at the rate of \$5,500 per annum, all effective as of the date upon which he enters upon the performance of his duties after having passed the usual physical examination and subject to the completion of a satisfactory employment investigation.

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

"In accordance with the request contained in your letter of May 2, 1951, the Board approves the designation of Russel A. Swaney as a special assistant examiner for the Federal Reserve Bank of Chicago."

Approved unanimously.

Letter to Mr. Lunding, Federal Reserve Agent of the Federal Reserve Bank of Chicago, reading as follows:

"In accordance with the request contained in Mr. Meyer's letter of May 1, 1951, the Board of Governors approves the payment of salary to Mr. George H. Schussler, Acting Assistant Federal Reserve Agent, at the rate of \$4,120.00 per annum."

Approved unanimously.

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

"Your wire May 3. Board approves the opening and maintenance of an account on your books in the name of the National Bank of Iraq, subject to the usual terms and conditions upon which your Bank maintains accounts for foreign central banks and governments.

"It is understood that you will in due course offer participation in this account to the other Federal Reserve Banks."

Approved unanimously.

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

"Questions of the effectiveness of the present Regulation W enforcement program and problems arising in connection with the coordination of the program as well as other matters pertaining to the regulation suggest the desirability of holding regional conferences in June. It has also been suggested that such conferences should treat with problems arising under Regulation X. In drawing up a tentative schedule three criteria were used: (1) Banks not meeting together in previous conferences, (2) Banks which did not act as hosts in January conferences, and (3) Banks with contiguous districts wherever possible.

"Conferences are tentatively scheduled as follows:
 June 6(X) 7-8 (W) at Dallas with St. Louis and Boston.
 June 11-12 (W) 13 (X) at Minneapolis with San Francisco and Richmond. June 18-19 (W) 20 (X) at New York with Philadelphia and Kansas City. June 20-21 (W) 22 (X) Cleveland with Chicago and Atlanta.

"It will be appreciated if you will forward before May 14 suggestions for the agenda together with an indication of the number of representatives to attend from your Bank."

Approved unanimously.

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Letter to Mr. M. K. M. Murphy, President, Boiling Springs Savings and Loan Association, Rutherford, New Jersey, reading as follows:

"This will confirm your conversation with Governor Powell this afternoon inviting you, on behalf of the Board of Governors of the Federal Reserve System, to become a member of the Voluntary Credit Restraint Committee. As you know, this is the Committee set up under the Defense Production Act of 1950 to administer the Voluntary Credit Restraint Program which was announced by the Board of Governors on March 9, 1951.

"The next meeting of the national Committee will be held at 9:00 a.m. on Monday, May 21, 1951 here in the Federal Reserve Board Building in Washington. Governor Powell understands from your telephone conversation that you can be present. We shall all be looking forward to the privilege of meeting you and I know that the Committee will welcome you as a member.

"Under separate cover I am sending you some literature showing the nature of the work of the national Committee up to the present time. The meeting on May 21 will discuss, among other things, a formula for real estate loans of the conventional type on existing structures. The Committee will benefit greatly from your experience in this field."

Approved unanimously, together with identical letters to Dr. W. H. Walker, President, First Federal Savings and Loan Association, Miami, Florida, and Mr. Harry Held, Vice President, Bowery Savings Bank, New York 1, New York.

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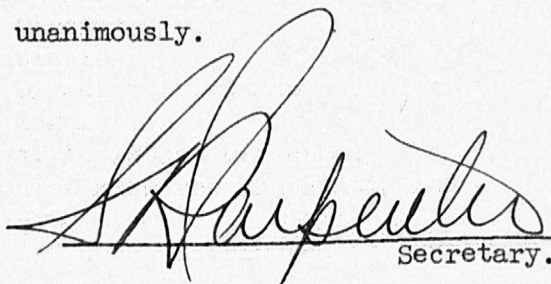
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Letter to the Presidents of all Federal Reserve Banks and the Vice President in charge of the Detroit Branch, reading as follows:

"For your information there is enclosed a copy of a letter addressed to Governor Vardaman by Mr. Jess Larson, Administrator of General Services Administration, regarding V-loan financing for manufacturers of machine tool pool orders. There are also enclosed copies of the form of contract used in connection with these pool orders as well as the form of transmittal letter used by General Services Administration.

"In view of the importance of this program, it may be desirable for you to advise the financing institutions in your district of the action taken by General Services Administration."

Approved unanimously.



Secretary.