

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, June 20, 1951.

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

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 June 19, 1951, were approved unanimously.

Memorandum dated June 19, 1951, from Mr. Bethea, Director of the Division of Administrative Services, recommending the appointment of Miss Doris Inez Abell as a Stenographer in that Division, on a temporary indefinite basis, with basic salary at the rate of \$3,035 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination, and subject to the completion of a satisfactory employment investigation.

Approved unanimously.

Memorandum dated June 14, 1951, from Mr. Powell, recommending that Mrs. Dorothy S. Hurst, Clerk-Stenographer in the Division of Administrative Services, be transferred to his office as a Stenographer, with an increase in her basic salary from \$2,955 to \$3,100 per annum, effective the date she reports for duty. The memorandum also stated that the Division of Administrative Services was agreeable to this

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transfer.

Approved unanimously.

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

"In accordance with the request contained in your letter of June 14, 1951, the Board approves the appointment of Kenneth E. Brooks as an assistant examiner for the Federal Reserve Bank of Kansas City. Please advise us of the date upon which the appointment becomes effective and also as to the salary rate."

Approved unanimously.

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

"This will acknowledge your letter of June 12, 1951, advising that Mr. Paul R. Fitchen, Manager of the Cash Department, has been granted leave without pay for a period of approximately one year beginning the latter part of July, 1951, in order that he may serve as financial adviser to the Union Bank of Burma, Rangoon, Burma.

"Mr. Fitchen's leave of absence, which had been the subject of discussion at the staff level between representatives of the Reserve Bank and the Board, has been called to the Board's attention and has been noted without objection."

Approved unanimously.

Letter to Mr. Roger W. Jones, Assistant Director, Legislative Reference, Bureau of the Budget, Washington, D. C., reading as follows:

"This is in response to your letter of June 13, 1951, to the Chairman of the Board of Governors of the Federal Reserve System requesting a report on a proposed Executive Order relating to loans authorized by section 302 of the Defense Production Act of 1950.

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"As we understand the proposed Order, the Reconstruction Finance Corporation would be authorized, without prior certification by the Defense Production Administrator, and on such terms and conditions as it might determine, to make working capital loans to finance contracts or other operations deemed by the contracting agency to be necessary to expedite the procurement of materials or the performance of services for the national defense. The RFC also would be authorized to make expansion loans only after, in each case, a certificate has been issued that the expansion is necessary for national defense. In the case of food, the certificate would be issued by the Secretary of Agriculture and, in all other cases, by the Administrator of the Defense Production Administration.

"The Board has no objection to the promulgation of this Order. It is assumed, of course, that before any direct Government loans are made under this or any other authority, the possibility of financing through private lending institutions, with or without a Government guarantee, would first be exhausted."

Approved unanimously.

Memorandum dated June 18, 1951, from Mr. Allen, Director of the Division of Personnel Administration, recommending that the Board of Governors authorize the absorption of the forfeited registration fee of \$15.00 because of his inability to attend the 1951 session of the Graduate School of Banking.

Approved unanimously.

  
Secretary.