Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, July 16, 1951.

PRESENT: Mr. Martin, Chairman
Mr. Szymczak
Mr. Evans
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 July 12, 1951, were approved unanimously.

Minutes of actions taken by the Board of Governors of the Federal Reserve System on July 13, 1951, were approved and the actions recorded therein were ratified unanimously.

Memorandum dated July 5, 1951, from Mr. Sloan, Director of the Division of Examinations, concurred in by Mr. Leonard, Director, Division of Bank Operations, recommending an increase in the basic salary of Miss Caroline M. Clark, Clerk-Stenographer in the Division of Bank Operations, from $2,650 to $2,810 per annum, effective July 22, 1951.

Approved unanimously.

Memorandum dated July 11, 1951, from Mr. Sloan, Director, Division of Examinations, recommending that the expense voucher submitted by Philip C. Rachford, Assistant Federal Reserve Examiner in that Division, for the period June 16 to 30, 1951, inclusive, during which period Mr. Rachford was in attendance at the resident session of the Graduate School of Banking at New Brunswick, New Jersey, be paid in full as submitted,
including per diem in lieu of subsistence up to the time of his arrival in New Brunswick from his duty station, Atlanta, Georgia, and beginning at the time of his departure from New Brunswick to return to Atlanta.

The memorandum further recommended that in any future cases of attendance at the Graduate School of Banking by members of the Board's field staff of examiners, reimbursement for transportation be interpreted as including the payment of per diem in lieu of subsistence up to the time of arrival at New Brunswick, New Jersey, and beginning at the time of departure from New Brunswick for return to duty station.

Approved unanimously.

Letter to Mr. Shepard, Federal Reserve Agent of the Federal Reserve Bank of Minneapolis, reading as follows:

"In accordance with the request contained in Mr. Peyton's letter of July 11, 1951, the Board of Governors approves, effective July 16, 1951, the payment of salaries to the following named members of the Federal Reserve Agent's staff at the rates indicated:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>W. S. Ferrian</td>
<td>Assistant Federal Reserve Agent</td>
<td>$6,000</td>
</tr>
<tr>
<td>John Johnson</td>
<td>Alternate Assistant Federal Reserve Agent</td>
<td>5,600</td>
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Approved unanimously.

Letter to Mr. Weigel, Secretary of the Federal Reserve Bank of St. Louis, reading as follows:
"Reference is made to your letter of July 9, 1951, advising that as a result of increases in the rates of the Group Hospital Service, Inc., which serves the employees of the Head Office, and the Blue Cross organization which serves the employees of the Memphis Branch, expenses in this connection will increase approximately $3,600 per annum at the Head Office and $550 at the Memphis Branch.

"The Board of Governors interposes no objection to the assumption of these additional expenses by the Federal Reserve Bank of St. Louis."

Approved unanimously.

Letter to the Honorable Raymond M. Foley, Administrator, Housing and Home Finance Agency, 1626 K Street, N. W., Washington, D. C., reading as follows:

"In response to your letter of July 13, 1951, this is to advise you that the Board of Governors concurs in your designation of the Columbus, Indiana, area as an area for the application of special credit terms under section 6(p) of Regulation X, Real Estate Credit, for purposes of defense construction. Your letter states that there is a need for approximately 350 housing units to be located within reasonable commuting distance of the defense establishments. We understand that there will be 210 rental units at $75 and $85 each per month, and 140 units for sale, priced not to exceed $10,000 for 90 units and $11,250 for 50 units.

"In accordance with your suggestion, the relaxation of terms prescribed by Regulation X will be similar to that previously announced for other designated defense areas."

Approved unanimously.

Letter to the Honorable Raymond M. Foley, Administrator, Housing and Home Finance Agency, 1626 K Street, N. W., Washington, D. C., reading as follows:
In response to your letter of July 13, 1951, this is to advise you that the Board of Governors concurs in your designation of the Wichita, Kansas, area as an area for the application of special credit terms under section 6(p) of Regulation X, Real Estate Credit, for purposes of defense construction. Your letter states that there is a need for approximately 2,000 housing units to be located within reasonable commuting distance of the defense establishments. We understand that there are 1,500 units designated for rental at $75 and $85 per month each, and 500 units are to be sold at prices of $8,500 and $9,500 each. Under the terms of the exemption, the entire 2,000 units will be controlled by your agency through the issuance of specific certificates.

"In accordance with your suggestion, the relaxation of terms prescribed by Regulation X will be similar to that previously announced for other designated defense areas."

Approved unanimously.

Memorandum from Mr. Bass, Fiscal Agent, Division of Administrative Services, recommending that for reasons stated therein the figure, Adjusted Budget for Salaries, appearing in the 1951 Annual Budget, approved by the Board December 22, 1950, be increased from $2,544,743 to $2,553,368.

Approved unanimously.

[Signature]
Secretary.