

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, November 24, 1952. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman  
 Mr. Szymczak  
 Mr. Vardaman  
 Mr. Mills  
 Mr. Robertson

Mr. Carpenter, Secretary  
 Mr. Sherman, Assistant Secretary  
 Mr. Kenyon, Assistant Secretary  
 Mr. Vest, General Counsel  
 Mr. Sloan, Director, Division of Examinations

There was presented a draft of memorandum to all employees of the Board, prepared pursuant to action taken by the Board on November 18, 1952, advising that all salary payments would be made by check, effective November 26, 1952.

The memorandum was approved unanimously in the following form:

"For some time the Board has had under consideration recommendations received from public accounting firms that it would be in the interest of simplified and improved pay roll and disbursing procedures to make all salary payments by check. Last pay day (November 12) a shortage of \$91.00 was disclosed in the distribution of the cash pay roll. Although this is the first shortage experienced during the many years the present cash pay roll system has been in operation it confirmed the Board's feeling that the better procedure would be to pay salaries by check only. Accordingly, effective November 26, all employees will be paid by check."

At this point Messrs. Thurston, Assistant to the Board; Riefler, Assistant to the Chairman; Thomas, Economic Adviser to the Board; and

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Young, Director, Division of Research and Statistics, entered the room and Mr. Sloan withdrew.

Before this meeting there had been sent to the members of the Board copies of a memorandum from Mr. Vest, dated November 20, 1952, to which was attached a letter dated November 18 from Mr. Charles H. Kendall, General Counsel of the Office of Defense Mobilization, to Mr. Vest inviting the views of the Board regarding the continuation and amendment of the Defense Production Act in connection with the preparation for presentation of the Act to the next session of the Congress. The memorandum discussed briefly the four programs carried out by the Board pursuant to authority of the Act and raised the question of what views, if any, the Board might wish to express at this time.

Following a discussion of the recommendations which the Board might make, during which Chairman Martin stated that Mr. Putnam, Administrator of the Economic Stabilization Agency, had informed him that work had gone forward on the report and that he would send a draft to the Board for comment, Chairman Martin suggested that further consideration of the matter be deferred until Mr. Putnam's report had been received.

Chairman Martin's suggestion was approved unanimously, with the understanding that in the meantime the staff would review the statements previously made by the Board with respect to continuing the statutory authority for the regulation of consumer and real estate credit.

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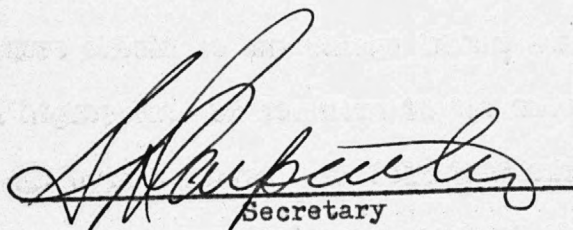
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At this point all of the members of the staff withdrew and the Board went into executive session.

Following the executive session, Chairman Martin informed the Secretary that he had advised the Board that Mr. Stevens, Chairman and Federal Reserve Agent at the Federal Reserve Bank of New York, had agreed to continue to serve as Chairman and Federal Reserve Agent during the year 1953, and that the Board had authorized the sending of advices to Messrs. Stevens, Myers, Young, and Wendt regarding the actions taken concerning them at the meeting of the Board on October 23, 1952.

The following additional action was taken by the Board:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on November 21, 1952, were approved unanimously.

  
Secretary