

Minutes of actions taken by the Board of Governors of the  
Federal Reserve System on Monday, July 13, 1953.

PRESENT: Mr. Szymczak, Acting Chairman  
Mr. Mills  
Mr. Robertson

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

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

"In accordance with the request contained in your letter of July 6, 1953, the Board of Governors approves for an additional period of six months beginning July 10, 1953, the continuation of the payment of salary to George C. Smith, Chief, Sorting and Counting Division, Cash Department, at his present rate of \$9,450 per annum, which is \$550 in excess of the maximum established for the grade in which his position is classified."

Approved unanimously.

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

"Reference is made to your letter of June 30, 1953, in which your Bank requests the Board's approval of an upward adjustment of 7 per cent for grades 1 through 10 and 5 per cent for grades 11 through 16.

"The Board approves the following minimum and maximum salaries for the respective grades for the Federal Reserve Bank of Chicago, effective July 1, 1953:

<u>Grade</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>
1	\$1940	\$2620
2	2130	2880
3	2350	3180
4	2600	3510
5	2840	3840
6	3160	4270

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<u>"Grade</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>
7	\$3540	\$4790
8	3860	5220
9	4270	5770
10	4680	6330
11	5030	6810
12	5570	7540
13	6190	8380
14	6820	9230
15	7440	10070
16	8070	10920

"The Board approves the payment of salaries to the employees, other than officers, within the limits specified for the grades in which the positions of the respective employees are classified. It is assumed that all employees whose salaries are below the minimum of their grades as a result of the structure increase will be brought within the appropriate range as soon as practicable and not later than October 1, 1953."

Approved unanimously.

Letter to Mr. Denmark, Vice President, Federal Reserve Bank of Atlanta, reading as follows:

"In accordance with the recommendation contained in your letter of July 6, 1953, the Board of Governors extends to November 12, 1953, the time within which the Savannah Bank & Trust Company of Savannah, Savannah, Georgia, may establish a branch at the intersection of Skidaway Road and Victory Drive in the city of Savannah, Georgia, under the approval given by the Board in its letter of February 12, 1953."

Approved unanimously.

Telegram to the Presidents of the Federal Reserve Banks of New York and Chicago, reading as follows:

"Weekly telegraphic reports of borrowings of selected member banks, requested in Board's April 29 telegram, by supplementing the daily summary statistics of borrowings, have proved helpful in understanding the pattern of member bank borrowings. Similar reports through remainder of the year

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"would indicate whether banks which were substantial or continuous borrowers will again make substantial use of Federal Reserve discount facilities, also which member banks will call upon Federal Reserve credit because of seasonal credit demands.

"Accordingly, Board will appreciate it if you will continue these reports through December, except that reports of banks previously coded which have shown but nominal borrowings during recent periods may be omitted.

"Suggest that your Bank review borrowings monthly after close of last weekly reserve computation period and add to telegraphic reports any central reserve or reserve city banks borrowing in 10 of the last 13 weekly periods or in amounts exceeding daily average of \$10 million over the 13-week period. Additional banks should be designated by appropriate codes."

Approved unanimously, together with similar telegrams to the Presidents of the Federal Reserve Banks of Philadelphia, Cleveland, Atlanta, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco and letters to the Presidents of the Federal Reserve Banks of Boston and Richmond reading as follows:

Letter to the Federal Reserve Bank of Boston

"For your information, there is enclosed a copy of a telegram sent by the Board to the Presidents of the Federal Reserve Banks of New York and Chicago on the subject of supplementary reports of borrowings by the principal borrowing banks. Similar telegrams with minor modifications were sent to most of the other Reserve Banks.

"As explained in the Board's letter of April 30, these reports were not requested from your Bank since none of the banks originally selected was located in your District. However, it will be appreciated if your Bank would make the review described in the last paragraph of the enclosed telegram and submit weekly reports if any of the reserve city banks in your District should borrow with the frequency or in the amounts described therein."

Letter to the Federal Reserve Bank of Richmond

"For your information, there is enclosed a copy of a telegram sent by the Board to the Presidents of the Federal

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"Reserve Banks of New York and Chicago on the subject of supplementary reports of borrowings by the principal borrowing banks. Similar telegrams with minor modifications were sent to most of the other Reserve Banks.

"The telegram was not sent to your Bank inasmuch as all five of the banks previously covered in your weekly reports have shown but nominal borrowings during recent weeks. However, it will be appreciated if your Bank would make the monthly review suggested in the last paragraph of the telegram."

Letter to Mr. Javier Marquez, Director, Center for Latin American Monetary Studies, Mexico City, Mexico, reading as follows:

"This refers to your letter of July 3 to Mr. Dembitz regarding one of the trainees of your Center, who has worked for some time in the Bank of Mexico, who is proposing to write a paper on the subject of moneyflows techniques. It is understood that you would like to arrange for assistance from the Board of Governors in providing someone who has dealt with this subject who could act as tutor in this connection.

"It is understood that the functions of such a member of the Board's staff would be limited to the making of comments and suggestions on the progress of the work that the trainee will be doing. We also understand that the trainee will be visiting in Washington, for other purposes, during September. It would seem desirable for the trainee to have prepared by that time a reasonably thorough outline of the study that he proposes to make, which could then be discussed by the trainee and the tutor here.

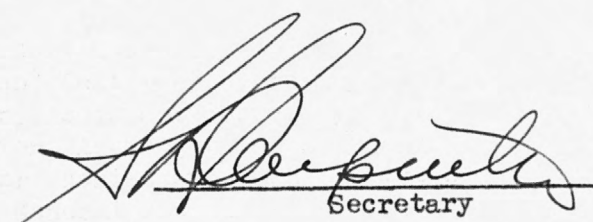
"I am glad to inform you that the Board is prepared to make available the services of Mr. Daniel H. Brill, economist in the Board's Division of Research and Statistics who directs the work on moneyflows analysis, to give the assistance that you request.

"It will be appreciated if you will let us have a fuller statement of the name and background of the trainee in question, and the dates when he proposes to be in Washington. It would be desirable if he could plan to spend several days here

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"at the Board becoming acquainted with the work on moneyflows that is currently being done, and giving Mr. Brill an opportunity to become acquainted with his abilities and special interests. For this purpose the middle of September would be most convenient for us."

Approved unanimously.

  
Secretary