

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, February 9, 1955. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman

Mr. Szymczak

Mr. Vardaman

Mr. Robertson

Mr. Balderston

Mr. Carpenter, Secretary

Mr. Sherman, Assistant Secretary

Mr. Kenyon, Assistant Secretary

Mr. Thurston, Assistant to the Board

Mr. Riefler, Assistant to the Chairman

Mr. Thomas, Economic Adviser to the Board

Mr. Vest, General Counsel

Mr. Young, Director, Division of Research and Statistics

Mr. Sloan, Director, Division of Examinations

Mr. Hostrup, Assistant Director, Division of Examinations

Mr. Cherry, Legislative Counsel

Mr. Thompson, Federal Reserve Examiner, Division of Examinations

It was suggested that in the absence of Governor Mills, Governor Robertson be authorized to act on behalf of the Board in connection with matters relating to the request of the Congressional Joint Subcommittee on Economic Statistics (the Talle Subcommittee) in all respects that Governor Mills was authorized to act pursuant to the Board's actions on November 1 and November 5, 1954.

This suggestion was approved unanimously.

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The following matters, which had been circulated among the members of the Board, were presented for consideration and the action taken in each instance was as indicated:

Letter to Mr. Fulton, President, Federal Reserve Bank of Cleveland, reading as follows:

The Board of Governors approves the appointments of Messrs. Sam W. Emerson, Herbert P. Ladds, John P. McWilliams, Herman R. Neff, and Arthur W. Steudel as members of the Industrial Advisory Committee for the Fourth Federal Reserve District to serve for terms of one year each beginning March 1, 1955, in accordance with the action taken by the Board of Directors as reported in your letter of January 13, 1955.

Approved unanimously.

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

The Board of Governors approves the appointments of Messrs. John W. Evers, Walter Harnischfeger, Edward M. Kerwin, G. Barret Moxley and James L. Palmer as members of the Industrial Advisory Committee for the Seventh Federal Reserve District to serve for terms of one year each beginning March 1, 1955, in accordance with the action taken by the Board of Directors as reported in your letter of January 14, 1955.

Approved unanimously.

Letter to Mr. Weigel, Secretary, Federal Reserve Bank of St. Louis, reading as follows:

The Board of Governors approves the appointments of Messrs. Jacob VanDyke, Marvin W. Swaim, G. A. Heuser, Edwin J. Putzell, Jr., and W. Victor Weir as members of the Industrial Advisory Committee for the Eighth Federal Reserve District to serve for terms of one year each beginning March 1, 1955, in accordance with the action taken by the Board of Directors as reported in your letter of January 13, 1955.

Approved unanimously.

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Letter to Mr. McConnell, Secretary of the Board, Federal Reserve Bank of Minneapolis, reading as follows:

The Board of Governors approves the appointments of Messrs. Sheldon V. Wood, John M. Bush, A. B. Heian, Walter Ringer, Sr., and A. H. Daggett as members of the Industrial Advisory Committee for the Ninth Federal Reserve District to serve for terms of one year each beginning March 1, 1955, in accordance with the action taken by the Board of Directors as reported in your letter of January 14, 1955.

Approved unanimously.

Letter to Mr. Woolley, Secretary pro tem, Federal Reserve Bank of Kansas City, reading as follows:

The Board of Governors approves the appointments of Messrs. Mason L. Thompson, Thomas McNally, Harold F. Silver, Albert R. Waters, and William N. Deramus as members of the Industrial Advisory Committee for the Tenth Federal Reserve District to serve for terms of one year each beginning March 1, 1955, in accordance with the action taken by the Board of Directors as reported in your letter of January 17, 1955.

Approved unanimously.

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

In accordance with the request contained in your letter of January 26, 1955, the Board approves the designation of the following individuals as special assistant examiners for the Federal Reserve Bank of Kansas City for the specific purpose of rendering assistance in the examinations of Commerce Trust Company, Kansas City, Missouri, and The International Trust Company, Denver, Colorado:

Richard M. Barr
Tom Callahan
George A. Dewey

Leon McDowell
William Neville
Estus A. Swanson

Appropriate notations have been made in our records of the names to be deleted from the list of special assistant examiners, leaving a total of eighty employees of the Federal Reserve Bank of Kansas City whose designations as special assistant examiners have been approved by the Board as of this date.

Approved unanimously.

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Letter to the Board of Directors, State Street Trust Company, Boston, Massachusetts, reading as follows:

Pursuant to your request submitted through the Federal Reserve Bank of Boston, the Board of Governors approves the establishment by the State Street Trust Company of a branch at the corner of State and Congress Streets and a branch at 54 Arlington Street, both in Boston, Massachusetts, provided the absorption of The Second National Bank of Boston by the State Street Trust Company and the removal of the main office of the continuing corporation under the title of Second Bank-State Street Trust Company to 111 Franklin Street is carried out substantially in accordance with the agreement by the parties dated December 15, 1954, and is effected within six months from the date of this letter.

Approved unanimously, for
transmittal through the Federal
Reserve Bank of Boston.

Letter to Mr. Willis, Secretary, Federal Reserve Bank of New York, prepared pursuant to the discussion at the meeting on January 31, 1955, and reading as follows:

This letter is in response to yours of January 21, 1955, with respect to loans on gold by the Federal Reserve Bank of New York.

As you know the Board has been informed of the staff discussions of this matter. The Board will review the statement approved by your directors, along with certain other aspects of gold loan policy and procedure. As soon as that review is completed the Board will communicate with you again.

Approved unanimously.

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

Your wire February 3. Board approves opening and maintenance of an account on your books in the name of Banque Nationale Du Cambodge 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,

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offer participation in this account to other Federal Reserve Banks.

Your wire February 3. Board approves opening and maintenance of an account on your books in the name of Banque Nationale Laos 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 other Federal Reserve Banks.

Approved unanimously.

Letter for the signature of the Chairman to the Honorable James E. Murray, Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C., reading as follows:

This is in response to your letter of January 31, 1955 requesting a report with respect to a bill, S. 49, "To enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on an equal footing with the original States."

It is noted that this bill contains provisions in both Sec. 115 and Sec. 217 which would provide for the readjustment of the Federal Reserve districts so as to include any new State admitted into the Union and require national banks in such new State to become members of the Federal Reserve System. These provisions were recommended by the Board of Governors for inclusion in both the Alaskan and Hawaiian statehood bills when such bills were under consideration by the Congress in previous years; and the Board hopes, therefore, that these provisions will be retained in the present bill.

In view of the fact that your letter requested that this report be expedited, since hearings are scheduled to begin during the week of February 7, 1955, time has not permitted the Board to ascertain from the Bureau of the Budget whether this legislation is in conformity with the program of the President.

Approved unanimously, together
with the following letter for the

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signature of the Chairman to the
Honorable Rowland R. Hughes,
Director, Bureau of the Budget,
Washington, D. C.:

There is enclosed a copy of a letter which I have addressed to the Chairman of the Committee on Interior and Insular Affairs of the Senate in response to a request for a report on the bill S. 49, "To enable the people of Hawaii and Alaska each to form a constitution and State government and to be admitted into the Union on an equal footing with the original States."

Because a prompt report was requested by the Committee, in view of the fact that hearings are scheduled to begin during the week of February 7, 1955, time did not permit the Board to ascertain in advance whether in the opinion of the Bureau of the Budget this legislation is in conformity with the program of the President.

Letter to the Comptroller of the Currency, Treasury Department, Washington, D. C., (Attention: Mr. W. M. Taylor, Deputy Comptroller of the Currency), reading as follows:

Reference is made to a letter from your office dated December 21, 1954, enclosing photostatic copies of an application to organize a national bank in Sapulpa, Oklahoma, and requesting a recommendation as to whether or not the application should be approved.

Information contained in a report of investigation of this application, obtained from the Federal Reserve Bank of Kansas City, discloses some doubt as to the need for the bank in the community and its prospects for satisfactory operations. While it is recognized that this is a borderline case, it appears that a number of local successful business men are among the sponsors of the institution and that some justification may exist for providing banking competition in a community the size of Sapulpa. Accordingly, the Board of Governors has concluded that favorable action on the application should be recommended.

The Board's Division of Examinations will be glad to discuss any aspects of this case with representatives of your office, if you so desire.

Approved unanimously.

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Letter for the signature of Governor Robertson to Mr. William B. Snow, President, Suffolk Savings Bank for Seamen and Others, Boston, Massachusetts (and Chairman of a Committee of the Savings Banks Association of Massachusetts appointed to study the question of emergency liquidity for mutual savings banks), prepared pursuant to the discussion at the meeting on January 19, 1955, and reading as follows:

In accordance with the request contained in your letter of November 16, 1954, we have "chewed over" the memorandum which accompanied the letter and which presents the questions: (1) would the Board of Governors accept as a member bank a central bank for liquidity of mutual savings banks, and (2) if the proposed central bank was not acceptable for membership, what suggestions does the Board have to meet the growing problem of emergency liquidity?

It is our understanding that the proposed central bank would be owned by mutual savings banks (presumably only those in Massachusetts) and would be authorized to accept deposits only from its stockholders and the Federal Government. Its only purpose would be to provide liquidity for its member mutual savings banks.

In view of the fact that the proposed institution would not be engaged in the business of receiving deposits and making loans to or otherwise dealing with the public generally, the Board does not believe it would be the kind of institution that it was contemplated would become a member of the Federal Reserve System. In addition, consideration must be given to the further fact that mutual savings banks are themselves eligible for membership. On two occasions in the past the Board has been called upon to answer this question in connection with the proposed membership of a somewhat similar organization in another State and in each instance it came to the conclusion that the bank should not become a member.

As to your question regarding other methods of meeting the problem of emergency liquidity, there are several possibilities. The savings banks in Massachusetts may have their deposits insured by the Federal Deposit Insurance Corporation. Such insurance should serve to diminish the possible need for emergency liquidity and in situations of serious emergency the Corporation is authorized to make loans, to purchase assets of, or make deposits in an insured bank. Membership in the Federal Home Loan Bank System is also available.

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As you know, the last paragraph of section 13 of the Federal Reserve Act authorizes the Federal Reserve Banks to make loans to individuals, partnerships, and corporations on the security of Government obligations. However, the Board's Regulation A, "Discounts for and Advances to Member Banks by Federal Reserve Banks", was recently revised and a footnote in the new regulation states that "It is not the practice to make advances to others than member banks except in unusual and exigent circumstances". The Board is not prepared to state at this time what would be regarded as unusual and exigent circumstances, but if an overall situation should develop which threatened the ability of the banks in an area or throughout the country to remain open, the Board undoubtedly would determine what assistance it should give to nonmember banks in the form of loans on the security of Government obligations.

Approved unanimously.

At this point Mr. Hackley, Assistant General Counsel, entered the room.

Prior to this meeting there had been sent to the members of the Board copies of a memorandum from Mr. Hackley dated February 7, 1955, submitting a draft of letter to Congressman Spence, Chairman of the House Banking and Currency Committee, prepared in response to the Committee's request of January 25, 1955, for the Board's views with respect to Bill H. R. 2674, introduced by Mr. Spence and providing for the control and regulation of bank holding companies. Inasmuch as the Committee had scheduled hearings beginning on February 28, 1955, the report was requested prior to that date. The principal features of the bill were summarized in an attached memorandum from Mr. Hackley, along

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with views previously expressed by the Board on each point. Mr. Hackley's memorandum of February 7 also brought out that more recently the Senate Banking and Currency Committee had requested a report on S. 880, a bill identical with H. R. 2674 which was introduced by Senator Capehart on behalf of himself and five other senators.

The draft of letter to Congressman Spence set forth views of the Board with respect to bank holding company legislation in general, and with respect to the Spence bill in particular, the general views being substantially the same as those expressed on behalf of the Board by Chairman Martin before the Senate Banking and Currency Committee in 1953. With regard to exemptions from the definition of a bank holding company, the letter would recommend that the bill contain no exemptions from such definition but that provision be included in the section on nonbanking interests for exemption from the divestment requirements thereof for certain specified nonprofit organizations, and also for any bank holding company whose control of a bank was determined by the administering agency to be incidental, accidental, or necessitous.

In commenting on the matter, Governor Robertson stated that no action by the Board at this meeting was necessary because the time schedule would not require that the letter be sent to the Budget Bureau for clearance until next week. At such time as letters were sent to the Banking and Currency Committees, he suggested that copies be sent to Senator Robertson of Virginia in view of his interest in bank holding company legislation and his recent correspondence with the Board regarding such legislation.

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After reviewing the principal points previously made by the Board with respect to bank holding company legislation, Governor Robertson discussed provisions of the Spence bill and stated that the bill amounted to a freeze on bank holding companies or, in fact, a slow death sentence which nothing in the present picture seemed to warrant. He felt that the current situation made it appropriate for the Board to continue its position of favoring minimum legislation adequate to cover the basic problems with respect to bank holding companies, namely, unregulated expansion and the combination of banking and nonbanking interests. Turning to the single point of substance in the letter which would represent a deviation from the previous position of the Board, Governor Robertson said that there appeared to be no reason why a holding company controlling a bank should be exempted from the requirement that it obtain approval of the administering agency for the acquisition of stock of an additional bank, or banks, but that there might be reasons for exempting certain holding companies from the provisions of the bill which would prohibit holding companies, after two years, from owning any shares or other securities or obligations of any company other than a bank, or from engaging in any business other than that of banking. He favored the Congress making specific exemptions (preferably keeping them to a minimum) but allowing the administering agency authority to make exemptions in necessitous cases.

Mr. Hackley then commented on the difficulties involved in deciding on the definition of a bank holding company. He pointed out that

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the proposed letter would take the position that while the Board continued to feel that a definition based primarily upon control of 50 per cent or more of the stock of a single bank would be generally adequate, the Board would not object to a lowering of the percentage test to 25 per cent, as provided in the Spence bill. The letter also would take the position, however, that the definition should be related to the control of a single bank rather than to two or more banks, as contemplated by the bill. Mr. Hackley felt that this might make the Board subject to the charge that it was suggesting a maximum control approach rather than a minimum approach.

In a discussion which followed, Governor Balderston suggested that it might be worth while for the Board to review and have clearly in mind what it felt the primary objectives of bank holding company legislation should be. Several statements were made by members of the Board on this point, it being suggested that while the Board would not necessarily want to prohibit bank holding companies, neither would it want them to expand without regulation in such a way as to create a tendency toward monopoly or unsound banking practices. Governor Robertson commented that branch banking was regulated by the necessity to obtain prior approval from some supervisory agency, that chain banking was self-limited by the difficulty of individuals in amassing large amounts of wealth and by the death of individuals, but that there was no comparable regulation or limitation in the case of group banking. Chairman Martin's comments touched on the problems involved in the combination of banking and

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nonbanking interests, particularly the possibility that the holding company device could be used in such a way as to permit a borrower to be in a position of domination over the lender. He saw a growing tendency to use the holding company in many fields as a device to achieve more than such valid objectives as greater operating efficiency, and he expressed particular apprehension regarding the possible use of the holding company device for such purposes in the field of banking.

Governor Balderston said that in analyzing the matter it seemed to him that fundamentally there might be no more objection to group banking than to branch banking, provided there was effective regulation of both. On the other hand, the combination of banking and nonbanking interests appeared to have inherent in it such problems and potentialities as to raise the question whether the divorcement of such interests should not be considered the most important objective of bank holding company legislation.

At the conclusion of a further discussion, it was understood that Governor Robertson would revise the draft of letter to Congressman Spence, that he would obtain the views of Governor Mills, and that the revised draft would be considered at another meeting of the Board.

At this point Messrs. Thurston, Riefler, Thomas, Young, Hackley, Hostrup, and Thompson withdrew and Messrs. Hexter and Chase, Assistants General Counsel, entered the room.

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There had been sent to the members of the Board copies of a memorandum from the Division of Examinations dated February 4, 1955, relating to the request of Bank of the Manhattan Company, of New York, New York, for permission to operate 29 branches now operated by The Chase National Bank of the City of New York (including one branch approved but not yet opened); to establish a branch at the present main office of Bank of the Manhattan Company; and to operate 18 foreign branches now operated by The Chase National Bank, all incident to the proposed merger of the two institutions under the title of The Chase Manhattan Bank. The Board's approval was also requested, to the extent required by law, for the ownership by the continuing institution of certain capital stocks now owned by The Chase National Bank, including the stock of The Chase Bank (an Edge Act corporation) and stock of the American Overseas Finance Corporation, now in the process of organization under the provisions of section 25(a) of the Federal Reserve Act. The memorandum, to which was attached copies of pertinent memoranda from the Federal Reserve Bank of New York, pointed out that prior written consent of the Board to the merger was not required since the continuing bank's capital and surplus would not be less than the aggregate capital and aggregate surplus of the two banks. An attached letter dated February 4, 1955, from Mr. Wiltse, Vice President of the Federal Reserve Bank of New York, stated that the New York State Banking Board was scheduled to act on the matter of the branches at its meeting on March 2, 1955, that the boards of directors of The Chase National Bank and Bank of the Manhattan Company were to meet

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on February 9 and 10, respectively, to vote on the proposed merger, that the stockholders of both banks were to meet on March 28, and that the merger was to be consummated on March 31, 1955.

In its memorandum, the Division of Examinations concurred in the recommendation of the Federal Reserve Bank of New York that the establishment and operation of the domestic and foreign branches be approved. With respect to one of the general conditions of membership to which Bank of the Manhattan Company was subject, the Division recommended that the Board interpose no objection to the continuing bank acquiring the capital stocks owned by The Chase National Bank or to the possible change in the character of assets or scope of corporate powers of the applicant bank resulting from the exercise of rights of ownership of such stocks or from the operation of the foreign branches now operated by the national bank.

During the discussion at this meeting, which was in the nature of a preliminary consideration of the matter, Mr. Sloan said that in the opinion of the Division of Examinations the merger appeared to be on a sound basis and would not seem to result in any substantial lessening of competition on Manhattan Island. The Division, he said, found no reason on practical grounds why the Board's approval, to the extent that such approval was necessary, should not be granted. He went on to say that Bank of the Manhattan Company also was contemplating absorption of another New York City institution (the Bronx County Trust Company) and that this transaction was a part of the whole picture which the Board would want to consider.

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Mr. Vest pointed out that in this situation the Board had no authority under the Clayton Act, as such, because the Act applies to the acquisition of stock of one corporation by another. He said it was the feeling of the Legal Division, however, that pursuant to decisions of the Supreme Court of the United States, the Board could take into account, if it desired, the general philosophy of the antitrust laws against monopoly and lessening of competition. He went on to say that it would be the duty of the Board to consider the public interest, including the effect of the consolidations on the whole area in which the present institutions are in competition. Mr. Vest pointed out the New York Reserve Bank had furnished several memoranda giving a great deal of information, but that the information supplied was largely statistical and geographical and did not go very much into the nature of the business done by the institutions as a whole or by their branches. He raised the question whether it would be desirable or practicable, particularly within a limited time, to try to obtain more detailed information regarding the nature, extent, and sources of the particular classes of business in which it might be claimed that there would be a lessening of competition as a result of the mergers, and also with regard to the nature of the customers of the three institutions. If it had not already been done, he suggested that the New York Reserve Bank be asked to confer with the Chief National Bank Examiner for that District, to perhaps also hold a conference of the national bank examiners and the Reserve Bank examiners who were most familiar with the banks concerned, and to transmit to the

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Board the views expressed at such conferences. He also raised the question whether the Board would consider it desirable to have the institutions involved submit such information as they wished to show why they considered that the mergers would be in the public interest, particularly from the competitive standpoint.

There ensued a general discussion of various aspects of the proposed consolidations and it was the view of the Board that it would be desirable to obtain all information that could reasonably be made available in order that the Board might be able to make its determination upon the broadest possible basis of information. There was also a discussion of the extent to which data were available bearing upon the optimum size of a banking institution from the standpoint of efficiency of operations and maximum service to customers. It appeared, however, that the area was one in which few, if any, conclusive measurements could be found. It was pointed out in this connection that the present statutes contain no standards for the guidance of the administering agency in making its determinations.

Secretary's Note: Pursuant to the foregoing discussion, the following letter to Mr. Wiltse, Vice President of the Federal Reserve Bank of New York, was prepared and, after having been approved by the members of the Board who were present at this meeting, was sent on February 11, 1955:

The Board has under consideration the application of Bank of the Manhattan Company for approval of the operation by that bank, as branches, of its present head office and

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the 29 domestic branches and 18 foreign branches presently operated by Chase National Bank. The proposed merger of the two banks and the proposed operation by the merged bank of the enumerated branches are the subject of your memorandum to the Board of Governors dated January 20, 1955 and your letter of February 4, 1955 enclosing copies of a revised proof of the Plan of Merger. The Board also has before it memoranda prepared by your staff with respect to the proposed merger as well as the proposed absorption of Bronx County Trust Company by Bank of the Manhattan Company.

In its consideration of the application by Manhattan to operate the additional branches, the Board has been greatly assisted by the basic factual information, the analysis thereof, and the conclusions in the memoranda mentioned. In view of the magnitude of the institutions concerned and other exceptional circumstances, the Board wishes to have before it, as far as practicable, all relevant data relating to factors that should be taken into consideration in passing upon the application.

Specifically, it would seem desirable, if it is practicable to do so, to obtain more information as to the nature and extent of the operations of the banks in particular fields, the extent to which they compete in those fields, and whether it may reasonably be anticipated that there will be a substantial diminution of bank competition in the specified fields if the pending proposal is carried out. It may be possible to obtain information of this nature regarding such fields as fiduciary activities, underwriting and dealing in securities, foreign operations, correspondent banking relationships, and the like. With respect to loans, the information might compare the operations of the banks in such fields as brokers' loans, consumer loans, and business loans, the latter possibly dealt with in broad industrial divisions. Particularly in areas where branches of the institutions are in close proximity, this information regarding loans would be especially significant.

It is recognized that it may be difficult or impracticable to obtain some of this information in detail, particularly in the short time that will be available. However, it would be of great assistance to the Board in considering the pending application if material of this kind could be developed.

It may be that this subject already has been discussed with the District Chief National Bank Examiner, but if not, it might be helpful if such discussion took place and the views of the Chief National Bank Examiner were transmitted to the Board. In this connection, a conference between the National Bank examiners and the Reserve Bank examiners most familiar with the banks concerned might be productive of information

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and views that would be helpful to the Board.

The information now before the Board relates specifically to the proposed merger of Manhattan and Chase on the one hand, and to the proposed merger of Manhattan with Bronx County Trust Company on the other, although some consideration has been given to the situation as it would be after all three banks have combined. It would seem desirable that any additional information be set up on the basis of the situation that will result from both mergers.

The banks concerned may be in a position to inform the Board with respect to the nature and extent of affirmative benefits that are expected to result from the operation of the additional branches and business by Bank of the Manhattan Company, as well as the probable diminution or enhancement of competition in the fields in which the institutions are active. Accordingly, you are requested to inform the applicant bank that, as an aid in its consideration of the application, the Board would appreciate receiving, in written form and on a factual basis as far as possible, specific information regarding these matters, including the anticipated benefits to the banks' customers, to the public generally, and to the banks themselves; the present competitive situation among the three institutions and in the general banking area of which they are a part; and the nature and extent of the anticipated effects of the proposed merger upon the competitive situation. It is hoped that this information will deal with described areas of competition rather than being in the nature of general conclusions. Among other matters, it would be desirable for the Board to be informed as to the bank's plans regarding immediate or later discontinuance of any of its present branches or branches covered by the pending application.

The Board will be grateful for your assistance in obtaining and forwarding to it information along the lines suggested above, which will enable the Board to make its determination in this matter upon the broadest possible basis of information.

Minutes of actions taken by the Board of Governors of the Federal Reserve System on February 8, 1955, were approved unanimously.

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The meeting then adjourned.

Pursuant to recommendations contained in memoranda from Mr. Young, Director, Division of Research and Statistics, dated February 2 and February 4, 1955, and the procedure approved by the Board with regard to the making of such appointments, Bert Seidman, Economist, American Federation of Labor, and Solomon Barkin, Research Director, Textile Workers Union of America, were appointed as consultants, effective immediately and until June 30, 1955, to work on evaluation of available economic statistics in fulfillment of the Talle Subcommittee request, on a temporary contractual basis, with compensation at the rate of \$50 per day for each day worked for the Board, either in Washington or outside the city, plus a per diem in lieu of subsistence of \$15 per day for the amount of time spent in a travel status in connection with their assignments, and transportation expenses in accordance with the Board's travel regulations applicable to an Assistant Director, and with the understanding that for purposes of travel, the headquarters of Messrs. Seidman and Barkin would be either their respective homes or places of business.



Secretary