

**BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON**

S-582

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

November 10, 1942.



Dear Sir:

Several questions have been raised by Federal Reserve Banks regarding the extension to employees entering various services or activities of the benefits under the program for uniform treatment of employees of the Federal Reserve Banks who are called into military service. The Board's views with regard to the various questions are summarized as follows:

1. Members of the WAVES and WAACS are considered as being on active military service. Women who leave the employment of a Reserve Bank or the Board to join the WAVES or the WAACS are entitled to the same benefits under the uniform program as are extended to male employees entering active military service.

While the WAACS are not at this time authorized to purchase National Service Life Insurance, the Reserve Banks and the Board should stand ready to reimburse them to the extent provided in the uniform program if the WAACS should be authorized to purchase such insurance.

2.a. Employees of the Reserve Banks and the Board leaving to enlist in Class V-1 of the United States Naval Reserve or in the Army Enlisted Reserve Corps to pursue a college education at their own expense while on an inactive military status in Classes V-1, V-5, or V-7 of the Naval Reserve or in the Army Enlisted Reserve, are not entitled to any of the benefits extended under the uniform program to employees leaving to enter upon active military duty.

b. Employees who, while in an inactive military status in Classes V-1, V-5, or V-7 of the United States Naval Reserve or in the Army Enlisted Reserve, continue in the employment of a Reserve Bank or the Board until called into active military service are, of course, entitled, when called into active military service, to the usual benefits extended under the program to employees leaving to enter upon active military duty.

3. Because of the hazards of the Merchant Marine and its contribution to the war effort, the Reserve Banks are authorized to

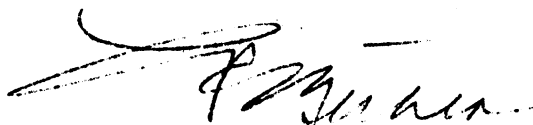


extend to an employee entering the United States Maritime Service of the War Shipping Administration or the United States Merchant Marine, such of the benefits under the program as the Reserve Bank feels justified in the circumstances. (One employee of the Board was recently enrolled in the United States Maritime Service of the War Shipping Administration. In that case, the Board extended to him all of the benefits under the uniform program except reimbursement for premiums on National Service Life Insurance. Members of the United States Maritime Service or the Merchant Marine are not authorized to purchase National Service Life Insurance, but the operators of the ships take out War Risk Insurance on the lives of the crew at no cost to the employees.)

4. Benefits under the program do not extend to employees leaving to serve with the Red Cross or comparable agencies.

It is hoped that the above interpretations and authorizations cover the situation. If they do not, however, the Board will be glad to have your views.

Very truly yours,



L. P. Bethea,
Assistant Secretary.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS.