

At a regular meeting of the Federal Reserve Board held in the office of the Board, Thursday, November 19th

PRESENT:

Mr. McAdoo	Mr. Williams
Mr. Hamlin	Mr. Warburg
Mr. Delano	Mr. Harding
Mr. Miller.	

The Secretary of the Treasury presided, and Mr. H. P. Willis acted as Secretary to the meeting.

The minutes of the preceding meeting were read and approved.

On motion it was voted that no formal statement of consolidated condition of Federal reserve banks be issued for the current week, but only an abbreviated form showing the total amount of capital paid in, cash on hand, reserve deposits, and amount of rediscounts, with an appropriate explanation.

In answer to a telegram from Mr. William McC. Martin, Federal Reserve Agent at St. Louis, inquiring whether a Federal Reserve bank may discount notes secured by banks bills receivable, if the bills thus used would, and if they would not, meet the requirements of the Act, the Board voted a negative reply in both cases.

The decision on the question put forward by Mr. Martin was followed by a general discussion of the meaning of the law as applied to the rediscount of paper of various classes.

The general conclusion arrived at was that while Federal reserve banks may call upon member banks to strengthen the security furnished by any particular kind of paper offered for rediscount, such paper cannot have its eligibility determined in any case by reference to such additional classes of security, but must be judged by the standards laid down in the law.

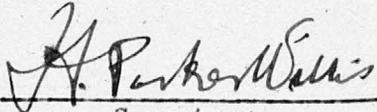
An informal discussion of the use of sub-treasuries in facilitating the payment of deposits followed, and it was agreed that the Governor of the Board should consider this question further with Assistant Secretary of the Treasury Malburn.

The Secretary of the Treasury further stated to the Board the present condition as respects the mission of Sir George Paish to the United States, and requested the Board to give further thought to the matter with a view toward reaching some recommendation.

The Secretary of the Treasury then brought up the question of Government deposits in banks and a general discussion of the subject ensued.

Mr. Harding read a memorandum he had prepared with reference to the suggested procedure in the making of Government deposits and as to their distribution among the different sections of the country, no action was taken.

At 4:30 p. m. the Board adjourned to meet at 11:00 a. m. on Friday, November 20th.


Secretary.

APPROVED:

Chairman.