

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:00 a.,m. on Friday, December 3,

PRESENT:

Mr. Hamlin, presiding Mr. Warburg

Mr. Delano Mr. Harding

Mr. Williams Mr. Miller

Mr. Willis, Secretary.

The minutes of the following meetings were read and approved:

Meeting of 3:00 p. m., Tuesday, November 23.
Meeting of 11:00 a. m., Tuesday, November 30.
Meeting of 11:00 a. m., Monday, November 29.
Meeting of 3:00 p. m., Monday, November 29.
Meeting of 11:00 a. m., Wednesday, December 1.
Meeting of 3:00 p. m., Wednesday, December 1.

On motion the minutes of the conference of the Board with the Executive Committee of Governors, held on November 23, and favorably reported by Mr. Warburg, to whom they had been referred, were approved and ordered entered.

On motion it was voted to authorize the Governor of the Board, in his discretion, to send to Honorable Carter Glass, Chairman of the House Banking

and Currency Committee, the opinions of Messrs. Cotton and Elliott relative to redistricting.

The Secretary of the Board read a letter from Deputy Federal Reserve Agent McCaleb of Dallas presenting his resignation. On motion it was voted to accept the resignation, and authorize Mr. Harding to send a suitable reply.

A letter from the Federal Reserve Bank of Philadelphia asking for permission to carry Government bonds on its books at market value, was referred to Mr. Warburg as a special committee, said committee also to consider the general policy of member banks on this subject.

Mr. Delano presented a draft of a proposed letter relating to a change in the status of deputy Federal reserve agents. The letter was read, and after discussion it was agreed to name December 13 as the date for definite consideration, and if possible a vote on the matter.

Mr. Delano presented a memorandum of progress on behalf of the Committee on Clearance, explaining

briefly the position now occupied by the Committee.

Mr. Miller moved to present the subject of clearing to the Attorney General of the United States for the purpose of ascertaining an opinion relative to the power of the Board to apply a mandatory system, the Governor and Counsel together to draft the proposed letter to the Attorney General.

The motion prevailed, Mr. Delano's memorandum being laid on the table pending the receipt of a reply.

Mr. Williams called attention to the advisability of asking the reserve banks in certain sections to cut their rates on commercial paper from 4% to 3½%, it being reported that some member banks in some large cities were making rates lower than those charged by the Federal reserve banks. The matter was discussed, but no action taken.

// The proposed circular and regulation relating to open market operations, were read and revised, and a new print ordered. //

On motion at 1:10 p. m. the Board ad-
journed to meet at 3:30 p. m. this day.

H. Parker Willis
Secretary.

APPROVED:

C. St. Aubin
Chairman.