

At a conference between the Federal Reserve Board and a special committee representing the Federal Reserve Bank of Richmond, held in the office of the Board at 11:45 a. m., on Wednesday, February 2,

PRESENT:

Mr. Hamlin, presiding Mr. Warburg

Mr. Delano Mr. Harding

Mr. Williams Mr. Miller

Mr. Willis, Secretary.

PRESENT ALSO:

Mr. Gouverneur, Chairman of the
Committee

Mr. Oyster Mr. Coker

Mr. Wilcox Mr. Norwood

Mr. Gouverneur stated the object of the conference to be that of establishing direct communication between the Board of directors of the Federal Reserve Bank of Richmond

and the Federal Reserve Board. The bank would like to have it definitely established as a precedent that it could annually communicate through the Committee with the Federal Reserve Board in order to exchange ideas and outline their views as to conditions in the bank. They had already reported what they thought of existing conditions in some detail to Mr. Harding, and it was not necessary to review these matters. Mr. Gouverneur said that he would leave details as to salaries to other members of the Committee. Mr. Coker stated that he wished to report the present status as to officers of the Bank. The Richmond board felt proud of the success of their bank, and thought it primarily due to the efficiency of their officers. He briefly reviewed the experience of the past in endeavoring to raise the salary of the Governor, and stated that he wished to renew the

recommendation that a higher salary be granted to the Governor.

Mr. Wilcox stated that he was a new member of the board, and had attended but two meetings. He could speak only from this limited experience. He could say, however, that the Richmond board wanted to fix a salary of \$15,000 for Governor Seay, and thought he was worth that. He regretted that time had been lost by the Richmond board in discussing questions of etiquette in relation to the Federal Reserve Board. He thought it was not necessary to worry about the method of getting into communication with the Board, but that there should be a frank and free communication.

Mr. Hamlin told the Committee that the Federal Reserve Board was always glad to hear suggestions from any source, and that the representatives of the Federal Reserve

Bank of Richmond would always be welcome.

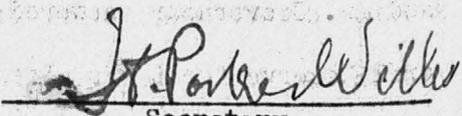
Mr. Williams inquired about the composition of the Executive Committee of the Federal Reserve Bank of Richmond, and Mr. Gouverneur said it now consisted of the Governor of the bank, the Federal Reserve Agent, and one other member of the Board, who, at present, was Mr. Oyster. Mr. Williams inquired why the resident Deputy Federal Reserve Agent, Mr. Moncure, had never served on the committee, and Mr. Gouverneur answered that when the Federal Reserve Agent was absent Mr. Moncure acted in his place.

General discussion of the composition of the Executive Committee ensued, and the representatives from Richmond expressed entire willingness to modify their by-laws so that there should be no discrimination against Class "C" directors.

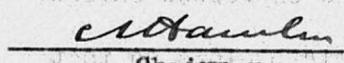
Mr. Norwood having been asked to

speak of conditions among the cotton milling interests, stated briefly that everything was now in a far better condition than a year ago. All classes of products were bringing higher prices, and the people were inclined to use more prudence in spending money, although as prosperity increased, there was a decline in the degree of this prudence.

On motion at 12:35 p. m., the conference adjourned.


Secretary.

APPROVED:


Chairman.