

At a meeting of the Federal Reserve Board held in the office of the Governor at 12.30 p.m., on Monday, May 14,

PRESENT:

Mr. Warburg, presiding, Mr. Williams,
Mr. Delano, Mr. Miller,
Mr. Hamlin, Mr. Willis, Secretary.

The reading of the minutes of the preceding meetings was dispensed with.

Mr. Hamlin presented to the Board an informal report of a meeting of the Clayton Act Committee held on Saturday, May 12, at which there had been present Mr. E. D. Hulbert of Chicago, president of the Merchants Loan & Trust Company of that city. It was stated that Mr. Hulbert desired to present certain facts about the status of the directors of the Merchants Loan & Trust Company to the Board, with a view to their probable status should this company become a member bank, and to learn from the Board the principles which would be likely to govern in dealing with these directors under the Clayton Act.

The Secretary of the Board read a letter from Judge Advocate General Crowder relative to the application of the selective draft plan to employees of Federal reserve banks. On motion, it was voted that the Secretary of the Board send a form letter to each Federal reserve bank and Federal reserve agent, enclosing copies of the communication of the Judge Advocate General.

The Secretary of the Board presented letters from the Federal Reserve Bank of Boston transmitting resolutions of the board of directors fixing the salary of the Governor of the Bank at \$25,000 per annum, effective June 1, and recommending to the Federal Reserve Board that the salary of the Federal Reserve Agent be fixed at \$12,500 as of the same date. The letters were referred to the Committee on Staff.

The Secretary of the Board read a report of the Committee on Staff recommending the appointment of Mr. Walter Wyatt as law clerk in the office of Counsel at a salary of \$1500 per annum. On motion, the report was approved.

The Secretary of the Board read a report of the Committee on Staff approving the employment of Mr. Elmer H. Tucker in the Federal Reserve Agent's department in the Federal Reserve Bank of San Francisco, at a salary not to

exceed \$900 per annum. On motion the report was approved.

The Secretary of the Board presented a letter from Mr. M. W. Bell, Cashier of the Federal Reserve Bank of Atlanta, with reference to the attitude of national bank examiners toward the interpretation of Section 5200. The matter was referred to the Committee on Law.

A letter from Governor Strong of New York relative to the rate of interest for the future sale of U. S. certificates of indebtedness and urging a change in the law so as to give wider power to the Secretary in this respect, was read and, on motion, referred to the Vice Governor to be taken up by him with the Secretary of the Treasury.

The Vice Governor of the Board reported the substance of a conversation he had just had with Honorable Carter Glass regarding the Hardwick amendment to the bill amending the Federal Reserve Act, now pending, and a substitute therefor proposed by Mr. Glass. After discussion, he was, on motion, authorized to confer with Senator Owen and Representative Platt with regard to securing accept-

ance of the substitute.

A letter from Mr. W. S. Rowe of Cincinnati relative to the use of gold in payrolls in that city, was read. On motion, the Vice Governor and Mr. Delano were named a special committee to prepare a letter on this subject to Federal reserve banks, and to communicate as they might deem best, with the Departments of War and Navy, or any others that might seem expedient.

Letters from Messrs. Witherow and Lowrie with respect to agricultural loans at the Federal Reserve Bank of Minneapolis, previously referred to Mr. Hamlin, were reported by him with suggested outline of a letter of response. The matter was referred back to Mr. Hamlin with power to act.

On motion, at 1.10 p. m. the Board adjourned to meet on Wednesday, May 16, at 11 a.m., unless sooner called by the Chair.

APPROVED:

H. P. ...
Secretary.

Chairman.