

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Wednesday, November 21, at 11:45 A. M.,

PRESENT:

- Mr. Harding, presiding, Mr. Delano,
- Mr. Hamlin, Mr. Willis, Secretary.
- Mr. Williams,

The minutes of the meeting of the Board held on November 19 were read and on motion, approved.

The minutes of the meetings of the Executive Committee (Gold Exports) held on November 19 and 20 were presented, and on motion approved, and the action therein set forth ratified.

The minutes of the sessions of the Board with the Federal Advisory Council held on November 19 and 20, were presented and on motion, referred to Mr. Delano for report.

A letter from Federal Reserve Agent Perrin with reference to methods to be pursued in transferring bills purchased by the Federal Reserve Bank of San Francisco from the Federal Reserve Bank of New York, they to be held actually on deposit in New York pending collection, was read and after discussion, it was agreed that no action

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was needed, and the letter was ordered passed to file.

A letter from Assistant Secretary of the Treasury Leffingwell with reference to certain purchases which it is intended to make in Canada on behalf of the Italian Government, was read and discussed. It was agreed that the matter be referred back to Governor Harding with power to act, and that it is the sense of the Board that no action on the part of the Board is now called for.

A memorandum of Counsel with reference to war savings certificates, and the proof of a circular which is being sent out by the Secretary of the Treasury on the same subject was also presented. It was the sense of the Board that there is no objection to the treatment of these certificates by banks in the way outlined in the circular and memorandum.

The question of directors at branches being brought up, Mr. Delano nominated the following as the Board's representatives on the Board of directors of the Pittsburgh Branch of the Federal Reserve Bank of Cleveland:

Mr. T. H. Given, Editor of the Pittsburgh Post,
and President of the Farmers Deposit National Bank.

Mr. J. H. Lockhart, Pittsburgh, Pa.

On motion, the two nominees were declared elected, and it was agreed that the Governor notify Federal Reserve Agent Willis of the action, but that there be no publication of the names until the board of directors of the Federal Reserve Bank of Cleveland has elected its representatives on the Branch board.

Mr. Delano placed in nomination the following as the Board's representatives on the board of directors of the Denver Branch:

Mr. Alva Adams, Pueblo, Colorado.

Mr. John Evans, President of the International Trust Co., Denver, Colorado.

On motion, both nominees were declared elected, the same agreement as to notification as in the case of the Pittsburgh directors being made.

On motion, a report of Committee No. 1, dated November 20, approving a salary of \$2400 for Examiner Thos. E. Harris, was adopted.

Upon recommendation of Committee No. 2, the following named State institutions were admitted to membership in the Federal Reserve System upon conditions named in the report of the Committee in each case:

Grafton Bank & Trust Company	Grafton, W. Va.
Philadelphia Trust Company	Philadelphia, Pa.
Ladd & Tilton Bank	Portland, Oregon.
Bank of Rosalia	Rosalia, Wash.

A proposed letter to the President of the Citizens and Southern Bank of Savannah, Georgia, with reference to membership in the system, stating the conditions under which the Board would approve such membership for it, was read and the Secretary ordered to transmit the same.

Governor Harding stated to the Board that the Division of Statistics would be directed to begin inquiry at once into the question how a change in reserve requirements, based upon a grouping of deposits as time, bank, and demand, would alter the present reserve arrangements. It was agreed that the conduct of this investigation be referred to the Executive Committee in cooperation with the Comptroller of the Currency, acting jointly, they to be asked to make a general survey of the question, as indicated, and to report to the Board.

Governor Harding presented the draft of a telegram to Federal Reserve banks stating that the Advisory Council having recommended an advance of $\frac{1}{2}$ of 1% on

each class of paper bought or discounted by Federal Reserve banks, the Board desires to have the banks order such an increase in rates. It was, on motion, voted to refer the matter to the Governor with power to draft and send a telegram on the subject.

Assistant Secretary of the Treasury Rowe at this point entered the meeting and presented to the Board the question whether there was any way to prevent bonds issued by the revolutionary government of South China from being imported into the United States. The matter was discussed, but no action was taken.

On motion, at 12:45 P. M. the Board adjourned.

APPROVED:

H. P. Williams
Secretary

Chairman