

At a meeting of the Federal Reserve Board held in the office of the Board on Thursday, June 12, 1919, at 11 A.M.,

PRESENT: The Governor  
Mr. Strauss  
Mr. Miller  
Mr. Hamlin  
Mr. Williams  
Mr. Broderick, Secretary.

The minutes of the meeting of the Board held on June 11th were read, and on motion approved.

Morning business was presented and disposed of as follows:

Telegram dated June 11th from the Chairman of the Federal Reserve Bank of San Francisco, requesting the views of the Board with respect to payment of gold in redemption of Federal Reserve notes, in view of the lifting of the gold embargo. The Governor submitted for approval the following telegram addressed to the Chairmen of all Federal Reserve banks:

"Board calls your attention to importance in all cases of redeeming Federal Reserve notes in gold promptly when gold is demanded, as this is obviously a necessary incident in removal of export restriction. You should not, however, relax your efforts to bring back gold into Federal Reserve bank."

Approved.

Report of discount rates from various Federal Reserve banks; no changes recommended.

Noted.

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The Governor reported rediscount transactions, pursuant to authority heretofore vested in him: member bank promissory notes secured by Government obligations; rate 4% on paper secured by certificates of indebtedness and  $4\frac{1}{2}\%$  on paper secured by Liberty bonds or Victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 12th	Richmond.....	(Minneapolis (Cleveland	\$10,000,000 5,000,000	11-15 days

Noted.

Letter dated June 4th from the Chairman of the Federal Reserve Bank of Dallas, in re reduction of interest on loan to Citizens National Bank of Garland, Texas.

Ordered that the Secretary instruct the Federal Reserve Bank of Dallas that, while the Board will interpose no objection to its action in this particular case, the course pursued should not be adopted as a regular practice.

Memorandum by Mr. Miller dated June 9th, recommending the adoption of certain steps to be taken looking to the procurement regularly of data with respect to business and financial conditions in foreign countries, including recommendation for the probable expenditure of \$10,000 during the next fiscal year for foreign work; the employment of an expert translator and specialist, at a salary of \$2,500 per annum; and that the Chief of the Division of Reports and Statistics visit Europe this summer in furtherance of the plan.

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Approved with respect to all proposals except that of the visit of the Chief of the Division of Reports and Statistics to Europe, which was held in abeyance.

Voted that, in view of the order of the Secretary of the Treasury closing the Treasury Department at noon Saturday, June 14th, to enable employees to participate in Flag Day exercises, the Board's offices be closed at noon on that day.

The Governor read copy of his letter to the President of the Advisory Council under date of June 11th, requesting the designation of a committee to confer with the Board upon the question of possible financial relief for Europe.

Noted.

Letter dated June 9th from the Governor of the Federal Reserve Bank of Minneapolis, enclosing resolution of the Board of Directors of that Bank, authorizing payment to its employees of extra compensation for the six months ending June 30th, on the basis approved by the Board in December, 1918.

Referred to the Secretary for advice that while the Board prefers that there be no mid-year distribution of bonuses by Federal Reserve banks, it recognizes that the directors of the Federal Reserve Bank are much better informed as to local conditions than the Board is, and if the directors believe that a mid-year bonus is necessary for maintenance of the personnel and morale of their clerical force, no objection will be interposed against payment of bonus".

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Letter dated June 9th from the Governor of the Federal Reserve Bank of Minneapolis, enclosing resolution adopted by the Board of Directors of that Bank, authorizing the establishment of a branch thereof at Helena, Montana, subject to the approval of the Federal Reserve Board.

Ordered tabled for the meeting of the Board to be held on Tuesday, June 17th.

REPORTS OF COMMITTEE NO. 1:

Dated June 12th, recommending action on applications for permission to export coin, bullion and currency as set forth in the auxiliary minute book as of this date.

Approved.

Dated June 11th, recommending approval of application of Rembrandt Peale for permission to serve at the same time with the County National Bank, Clearfield, Pa., and the First National Bank, Carroltown, Pa.

Approved.

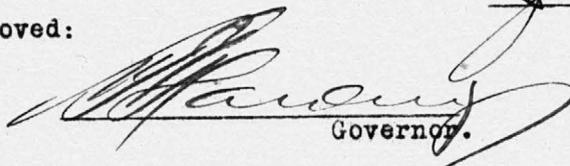
Other business was presented and disposed of as follows:

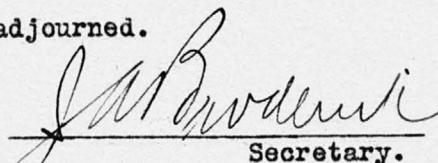
Memorandum by the Statistician, dated June 11th, recommending that during the period from June 15th to September 15th, the weekly Federal Reserve bank reports be made out as at close of business on Thursday instead of Friday.

Disapproved.

At 1:15 P.M., the meeting adjourned.

Approved:

  
Governor.

  
Secretary.