

At a meeting of the Federal Reserve Board held in the office of the Board on Tuesday, November 25, 1919, at 11 A.M.,

PRESENT: The Vice-Governor
Mr. Miller
Mr. Hamlin
Mr. Moehlenpah
Mr. Williams
Mr. Chapman, Secretary.

Business was presented and disposed of as follows:

Telegram dated November 24th from the Governor, Federal Reserve Bank of Boston, submitting for approval, recommendation of increases in discount rates. Mr. Strauss stated that he was in receipt last night of a telephone message from the Governor of the Federal Reserve Bank of New York, advising that the directors of that Bank at their meeting yesterday had voted to recommend certain increases in discount rates.

Voted that the Vice-Governor inform the Governors of the Federal Reserve Banks of Boston and New York that their recommendations had been received and would be considered by the Board, and that they would be advised of the result of the Board's action within a few days, and caution them against permitting knowledge of their action becoming public meanwhile.

Mr. Strauss stated that representatives of the Asia Banking Corporation had called to see him today to advocate a plan for the correction of rates of exchange between the United States and China. X

Voted that Mr. Strauss procure from the

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representatives of the Asia Banking Corporation and submit to the Board for its consideration a memorandum outlining plan recommended.

The Vice-Governor reported the purchase of special 2% certificates of indebtedness of the United States for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes, as follows:

<u>For Federal Reserve Bank of:</u>	<u>Date</u>	<u>Amount</u>
Philadelphia,	Nov.22d	\$100,000

Approved.

The Vice-Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations, rate 4-1/2%, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Nov.21st	Philadelphia	Chicago	\$3,000,000	11-15 days
Nov.22d	Philadelphia	Chicago	5,000,000	"

Noted.

Letter dated November 22d from the Secretary, Federal Reserve Bank of New York, in connection with payment of bonus to employees of that Bank, advising, with respect to employees receiving annual salaries of over \$4,000 and up to \$5,000, that it was the intention of the directors of that Bank, in asking authority to pay bonuses, to make such payments on

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the same basis as during the first six months of the year, viz: to continue payment of bonus to such employees for the last half of the current calendar year at the rate of 15%, instead of 10% as requested by the Bank and approved by the Federal Reserve Board on October 29, 1919.

Voted to approve payment of bonus by the Federal Reserve Bank of New York on the following basis, instead of that previously authorized:

Salaries up to and including \$1,500 per annum,	25%
Salaries over \$1,500 up to and including \$3,000,	20%
Salaries over \$3,000 up to and including \$5,000,	15%

the maximum in the lower class in each case to be the minimum of the next higher class; extra compensation at the above rate to be payable to all employees in the respective classes, whether of the bank staff or the office of the Federal Reserve Agent; the bank, in its discretion to have authority to make adjustments in individual cases at rates lower than the maximum rates fixed by the Board.

Memorandum by Mr. Emerson dated November 25th, suggesting certain revision of Form 34 - Balance Sheet of Federal Reserve banks.

Tabled for meeting to be held on Wednesday, November 26th.

Application of the East River National Bank of New York City, for permission to accept drafts and bills of exchange up to 100% of its capital and surplus under the provisions of Section 13 of the Federal Reserve Act.

Action deferred, pending receipt of further information.

REPORTS OF COMMITTEE NO. 1:

Dated Nov. 25th, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

Approved.

Dated Nov. 24th, recommending changes in stock at Federal Reserve banks, as set forth in the auxiliary minute book as of this date.

Approved.

Dated Nov. 24th, submitting resignation of Mrs. M. C. Morrow as Clerk Counter in the National Bank Redemption Agency, effective November 24th.

Approved.

Dated Nov. 22d, recommending approval of increases in salaries of the following employees in the office of Federal Reserve Agent at Philadelphia; effective November 1, 1919:

Mr. J. Frank Rehfuss, from \$1,500 to \$2,200 per annum.

Mr. Joseph Wittman, salary advance to \$1,800 per annum.

Approved.

Dated Nov. 25th, recommending detail of Mr. W. H. Mitchell from the Division of Reports and Statistics to the Reclassification Commission for duty on Wednesday and Friday, November 26th and 29th.

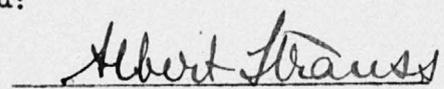
Approved.

The Vice-Governor reported the reserve positions of the several Federal Reserve banks as at close of business November 22d, and the status of rediscounts between Federal Reserve banks as of the same date.

At 12-40 P.M., the meeting adjourned.

Approved:


Secretary.


Vice-Governor.