

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, August 21, 1923, at 11:00 a.m.

PRESENT: Governor Crissinger,
Mr. Hamlin,
Mr. Miller,
Mr. Dawes,
Mr. Hoxton, Secretary.

The minutes of the meeting of the Federal Reserve Board held on August 15, 1923 were read and approved.

Report of the Committee on Discount and Open Market Policy, with reference to the matter referred to it on August 14th, namely, letter of August 4, 1923 from the Under Secretary of the Treasury, enclosing copy of communication addressed by him to Deputy Governor Case, of the Federal Reserve Bank of New York, regarding the investment holdings of the Federal Reserve Banks; the Committee reporting that no further action by the Board is necessary at this time.

Noted.

Memorandum, dated August 16, 1923, from the General Secretary of the Board, reporting upon the number of agricultural credit pamphlets desired by the Federal Reserve Banks.

Referred to the Governor with power.

Upon motion, the Board authorized the publication in pamphlet form of certain articles on "Cotton Financing" which have appeared in the Federal Reserve Bulletin, it being understood that the Governor will determine the number of pamphlets to be printed and the method of distribution.

Memorandum, dated August 21, 1923, from the General Secretary of the Board, making recommendations with reference to the program of topics to be submitted by the Board to the Federal Advisory Council for consideration at its meeting on September 17th.

Approved.

Memorandum, dated August 18, 1923, from General Counsel, on the subject of

"Purchase of Government Securities and Bankers' Acceptances by Federal Reserve Banks under so-called Repurchase Agreements".

Referred to the Law Committee for revision, with the understanding that after revision the memorandum will be mimeographed and copies sent to the members of the Federal Advisory Council and to the Chairmen of the Governors and Federal Reserve Agents' Conferences, for incorporation in their programs of topics to be discussed.

Letter, dated August 11, 1923, from the Federal Reserve Agent at Boston, advising of his intention, subject to the approval of the Board, to take a vacation in Europe from August 18th to the middle or latter part of September.

Approved.

Letter, dated August 13, 1923, from the Deputy Governor of the Federal Reserve Bank of Minneapolis, transmitting the application of the City National Bank, Bismarck, North Dakota, for authority to offer for rediscount, if necessary, the paper of non-member banks and recommending that the Board approve the application on terms stated in his letter.

Approved.

Memorandum, dated August 15, 1923, from Counsel, transmitting a circular letter to be sent to all Federal Reserve Agents on the subject "Improper Advertisements of State Member Banks".

Approved.

Letter, dated August 8, 1923, from Mr. C. A. Faircloth, President of the National City Bank, Tampa, Florida, expressing views with respect to the par clearance system of the Federal Reserve Banks.

Ordered Circulated.

Memorandum, dated July 23, 1923, from Counsel, on the subject "Protest Fees of Notaries in Employ of Federal Reserve Banks".

Referred to Law Committee.

Letter, dated August 14, 1923, from the Governor of the Federal Reserve Bank of Boston, enclosing for the information of the Board copy of a letter written from Havana by the Deputy Governor of the Federal Reserve Bank of Boston, Mr. C. C. Bullen, with regard to the progress being made toward the opening of the Havana Agencies of the Federal Reserve Banks of Atlanta and Boston.

Ordered referred to the Committee on Cuba.

Letter, dated August 4, 1923, from the Federal Reserve Agent at San Francisco, enclosing newspaper clippings, etc. concerning the Bank of Italy's Proposed branches at Long Beach, Cal.

Noted.

Draft of letter prepared by Counsel for the signature of the Executive Secretary of the Board, addressed to the Cashier of the Federal Reserve Bank of Cleveland, with respect to the increase or decrease of Federal Reserve Bank stock.

Approved and copies ordered sent to all other Federal Reserve Banks for their information.

Letter, dated August 13, 1923, from Mr. G. B. Winston, Assistant Secretary of the Treasury, renewing the request made in his letter of August 7th, that the Board's Division of Research and Statistics prepare a brief review of the domestic credit situation during the past year, for use in the annual report of the Secretary of the Treasury.

Referred to the Governor for reply.

Report, dated August 20th, 1923, from the Committee on Salaries and Expenditures, on letter from the Secretary of the Federal Reserve Bank of Cleveland, dated August 18, 1923; said report being in the form of a letter advising that in the opinion of the Board the matter of the proposed increase in salary for Mr. E. E. Bill, Field Representative, from \$3,300 to \$3,600 per annum

is one which should be taken up at the regular period, next December.

Upon motion, the report of the Committee was approved.

The Law Committee submitted a memorandum, dated August 20, 1923, by Assistant Counsel, on the subject "Limitation on amount of acceptances by a State Member Bank", together with draft of a telegram addressed to the Federal Reserve Agent at San Francisco, in reply to his telegram of August 17th, making inquiry as to the right of the Hibernia Commercial and Savings Bank of Portland, Oregon, in the matter of executing acceptances without limitation.

Approved.

Mr. Hamlin, Chairman of the Law Committee, presented a memorandum, dated August 21, 1923, from Counsel's Office, submitting certain material designed for publication in the September issue of the Federal Reserve Bulletin.

Approved.

Memorandum, dated August 17, 1923, from the General Secretary of the Board, recommending that Miss Lucy S. Black, an employee of long standing, be granted, on account of illness, two weeks additional sick leave with pay and two weeks leave without pay.

Approved.

Letter, dated August 20, 1923, from the Comptroller of the Currency, recommending annual salaries of \$3,300 each for the following National Bank Examiners - Miss Adelia M. Stewart, Mr. Charles F. Wilson and Mr. Gail W. Crosson

Approved.

Letter, dated August 15, 1923, from the Comptroller of the Currency, recommending approval of an annual salary of \$2,700 for Mr. Nels Nelson, a National Bank Examiner assigned to the Ninth Federal Reserve District.

Approved.

Letter, dated August 20, 1923, from the Comptroller of the Currency, requesting approval of an increase in salary from \$5,500 to \$7,500 per annum, for Mr. Edwin F. Rorebeck, National Bank Examiner.

Approved.

Letter, dated August 13, 1923, from the Comptroller of the Currency, requesting approval of an increase in salary from \$3,600 to \$4,000 per annum, for Mr. Samuel W. Dye, National Bank Examiner.

Approved.

Letter, dated August 11, 1923, from the Third Assistant Secretary of State, advising that an invitation will be issued to a representative of the Federal Reserve Board to attend the Fifteenth International Statistical meeting, which will open at Brussels on October 1, 1923.

Referred to Committee on Research and Statistics for recommendation and report.

Mr. Miller submitted two telegrams addressed to him by the Chairman and Governor of the Federal Reserve Bank of San Francisco, with reference to the Board's action in declining permission for the establishment of certain branches by the Bank of Italy, San Francisco, and the Pacific Southwest Trust and Savings Bank, Log Angeles.

Noted and ordered filed.

The Governor submitted the report of examination of the Federal Reserve Bank of Chicago, as of June 16, 1923.

Noted and referred to the Committee on Examinations.

REPORTS OF STANDING COMMITTEES:

Dated August 18, 1923 Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.

Approved.

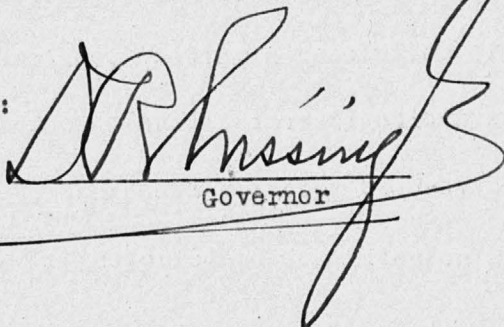
Dated August 21, 1923 Recommending action on applications for admission of state banks, subject to the conditions stated in the individual reports attached to the applications, as set forth in the Auxiliary Minute Book of this date.

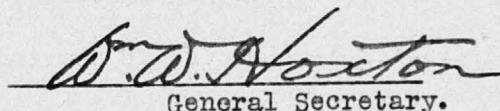
Approved.

- Dated August 13, 1923 Recommending refusal of the application of Mr. R. W. Playford to serve at the same time as director of the National Bank of Fayette County and as Vice President and director of the Fayette Title & Trust Company, Uniontown, Pa.
Approved.
- Dated August 16, 1923 Recommending approval of the application of Mr. S. Arthur Knapp to serve at the same time as Vice President and director of the Calcasieu National Bank of Southwest Louisiana, Lake Charles, La., as President and director of the First National Bank of Longville, La., and as Vice President and director of the First National Bank of DeRidder, La.
Approved.
- Dated August 16, 1923 Recommending approval of the application of Mr. R. L. Hale to serve at the same time as director of the First National Bank, Longville, La. and as director of the Calcasieu National Bank of Southwest Louisiana, Lake Charles, La.
Approved.
- Dated August 17, 1923 Recommending approval of the application of Mr. James W. Lane to serve at the same time as director of the Equitable Trust Company, New York City, and as director of the Tinker National Bank, East Setauket, N. Y.
Approved.
- Dated August 18, 1923 Recommending approval of the application of Mr. Joseph E. Otis to serve at the same time as President and director of the Central Trust Co. of Illinois, Chicago, Ill. and as director of the Drovers National Bank, Chicago, Ill., and as director of the Chicago Morris Plan Bank, Chicago, Ill.
Approved.
- Dated August 18, 1923 Recommending approval of the application of Mr. Payne Whitney to serve at the same time as director of the First National Bank, New York City, and as trustee of the United States Trust Company, New York City.
Approved.
- Dated August 20, 1923 Recommending approval of the application of Mr. Frederick W. Gehle to serve at the same time as Vice President of the Mechanics & Metals National Bank, New York City, and as director of the Bronx National Bank, New York City.
Approved.

At 12:15 p.m. the meeting adjourned.

Approved:


Governor


General Secretary.