Upon call of the Governor, a special meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board at 11:00 o'clock Friday, October 31, 1924.

PRESENT: Governor Crissinger
Mr. Platt
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Cunningham
Mr. Noell, Assistant Secretary

PRESENT ALSO: Dr. Stewart, Director of the Division of Research and Statistics.

The minutes of the meeting of the Federal Reserve Board held on October 28th were read and approved.

The minutes of the meeting of the Federal Reserve Board held on October 30th were read and approved as amended.

Letter dated October 24th from the Assistant Federal Reserve Agent at San Francisco, advising that the Security Trust Company of Bakersfield has decided not to establish the branch at Eighteenth Street and Chester Avenue, Bakersfield, which was approved by the Board on January 25, 1923.

Noted.

Letter dated October 24th from the Federal Reserve Agent at San Francisco, requesting approval of the location at 3222 South Main Street, Los Angeles, of the branch of the Pacific Southwest Trust and Savings Bank, approved for establishment at Washington Street and Arlington Avenue.

Approved.

Report of Committee on District #9 on matter referred to it at the meeting on October 28th, namely, letter dated October 22nd from the Chairman of the Federal Reserve Bank of Minneapolis, requesting approval of the con-
struction of an assembly room on the roof of the bank's building, at a cost of approximately $17,310; Mr. Miller recommending approval of the expenditure and Mr. Cunningham recommending disapproval.

After discussion, Mr. Hamlin moved that the Board approve of the Federal Reserve Bank of Minneapolis proceeding with the construction. Mr. Hamlin's motion being put by the chair was carried, the members voting as follows:

Mr. Platt "aye"
Mr. Hamlin "aye"
Mr. Miller "aye"
Mr. James "no"
Mr. Cunningham "no"
Governor Crissinger "not voting"

Memorandum dated October 24th from Assistant Secretary of the Treasury Dewey, suggesting that the Board circularize the Federal reserve banks requesting each to receive a proportionate share of about ten million new standard silver dollars, the cost of shipping same to be borne by the Treasury; together with draft of letter to all Federal reserve banks on the subject.

Upon motion, the suggestion of the Assistant Secretary of the Treasury was approved and the proposed letter to all Federal reserve banks, after amendment, was ordered transmitted.

In this connection, Mr. Platt moved that all Federal reserve banks not doing so be requested to give consideration to the question of absorbing the cost of outgoing shipments of standard silver dollars. Carried.

The Governor then submitted communications dated October 29th from the Federal Reserve Banks of Philadelphia, Cleveland and Chicago, with regard to the observance of November 4th, election day, as a holiday.

Mr. Hamlin moved that the Federal Reserve Banks in question be directed to comply with the Board's Regulations which require all Federal reserve banks and branches to remain open, and all Federal reserve banks and direct settling branches to participate in the gold settlement fund clearing. Carried.
Letter dated October 24th from the Federal Reserve Agent at Atlanta, enclosing copy of suit brought by depositors in the Bank of Iota, Iota, Louisiana, against the Federal Reserve Bank of Atlanta, and advising that all bills receivable and other collateral of the bank held by the New Orleans Branch have, under order of the Court, been sequestered into the hands of the officers of the Court.

After discussion, Mr. Miller moved that this matter be referred to the Governor with the view of seeing that the Federal reserve interests in this case are properly defended and protected. Carried.

The Governor then presented a letter addressed to him from Paris by the Federal Reserve Agent of New York outlining for the personal and confidential information of the Members of the Board his observations on conditions abroad.

Ordered circulated.

The Governor then stated that the Members of the Board should submit, prior to December 1st, any material which they desire to have incorporated in the Board's annual report for the year.

Dr. Stewart then read and discussed with the Members of the Board, the following report signed by the Committee on Research and Statistics:

"The Committee on Research and Statistics in response to the resolution of the Board of July 30, 1924, asking the Committee to prepare a plan designed to secure the coordination and control of the research, statistical and publication activities of the Federal Reserve banks and the Federal Reserve Board submits the following report:

**Scope and Purpose.** The purpose of the work of the research and statistical divisions of the Federal Reserve Banks and Board is to collect and digest information bearing on the problems with which the Federal Reserve System is concerned, either as a matter of current operation or as the basis of Federal Reserve policies.
"All such work shall be under the supervision and direction of the Federal Reserve Board acting through its Division of Research and Statistics.

While research studies and scientific investigations may be undertaken on the initiative of the Federal Reserve Banks or of the Federal Reserve Board, the Federal Reserve Banks must before any expense is incurred for their prosecution secure the approval of the Federal Reserve Board. In conducting such studies the Director of the Board's Division of Research and Statistics may make assignments to one or more of the Federal Reserve Banks of such portions as may seem desirable.

Publications. Beginning with January, 1925, the monthly publications of the Federal Reserve Banks shall not exceed eight pages. Free distribution of such publications shall be made only to member banks, to other Federal Reserve Banks, to the Federal Reserve Board and to firms reporting statistical information. To all others a charge shall be made to cover costs.

The Monthly Reviews published by the Federal Reserve Agents shall be under the general editorial supervision of the Director of Research and Statistics of the Federal Reserve Board, who shall be responsible to the Board for the proper conduct of the research, statistical and publication activities undertaken by the Board and authorized for the several banks.

Recommendations. It is recommended that the Board adopt the above principles and that the Federal Reserve Agents be informed of the conclusions of the Board and be asked at their forthcoming conference to come with specific suggestions to assist the Board's Director of Research and Statistics in giving effect to the principles laid down by the Board which are to become effective January 1, 1925.

Letter of Transmittal. If the Board approves this recommendation, it is suggested that the following letter of transmittal be sent to all Federal Reserve Agents:

The Board after careful consideration of the problem of reorganizing and coordinating the work of research and statistics of the Federal Reserve System in the interest both of economy and efficiency has reached certain conclusions, a copy of which is herewith transmitted.

You are requested to prepare and submit to the Board for approval not later than December 15, 1924, a budget of expenditures covering work in research, statistics and publication to be carried on during the year 1925 by you or in your department. This budget must conform carefully to the scope and purpose of research, statistics, and publication as defined in the Board's statement of principles."
Mr. Miller moved adoption of the Committee's report.
Mr. Hamlin moved as a substitute for Mr. Miller's motion that the Committee's report be referred to the Federal Reserve Agents at their conference on November 10th for discussion with Dr. Stewart and report to the Board.

Mr. Hamlin's motion being put by the chair was lost, the members voting as follows:

- Mr. Platt "aye"
- Mr. Hamlin "aye"
- Mr. James "aye"
- Governor Crissinger "no"
- Mr. Miller "no"
- Mr. Cunningham "no"

Mr. Miller's original motion being put by the chair was carried, Mr. Hamlin voting "no".

The Governor then stated that consideration by the Board of the Pension matter discussed at a conference yesterday with members of the Pension Committee of the Governors' Conference and their advisers, would be made special order of business for the meeting on November 13th.

The Governor also stated that the matter of the appointment of Class C Directors of Federal reserve banks and directors of branch Federal reserve banks will be made special order for the first meeting in December and that the various District committees should submit their recommendations to the Committee on Nominations before that date.

Upon motion by Mr. Hamlin, it was then voted that the Federal reserve banks be advised to consider amendment of the by-laws of their branches to conform with the Board's Regulations governing the appointment of branch directors.

**REPORTS OF STANDING COMMITTEES:**

Dated October 28th, Recommending changes in stock at Federal Reserve banks, as set forth in the Auxiliary Minute Book of this date.

Approved.
The meeting adjourned at 12:20 p.m.

Approved:

[Signature]

Assistant Secretary

Governor