

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, January 7, 1927 at 3:45 p.m.

PRESENT: Governor Crissinger

Mr. Platt

Mr. Hamlin

Mr. Miller

Mr. James

Mr. Cunningham

Mr. Noell, Asst. Secretary

Mr. McClelland, Asst. Secretary

PRESENT ALSO: Mr. Joseph Wayne, Jr. and

Mr. Arthur W. Sewall, Directors of

the Federal Reserve Bank of Philadelphia.

Mr. Wayne referred to the recent action of the Board in not approving increases recommended by the board of directors of the Federal Reserve Bank of Philadelphia in the salaries of Governor Norris and Deputy Governor Hutt, from \$25,000 to \$30,000 and from \$15,000 to \$18,000 per annum, respectively. He advised the Board of the reasons which actuated the Philadelphia directors in making these recommendations and requested reconsideration by the Board of its action disapproving them. Mr. Sewall, who has been a director of the Philadelphia bank only since the first of the year then stated to the Board his personal views in favor of the recommendations, based upon observations of the conduct of the Federal Reserve Bank of Philadelphia before his connection with that institution. Following a detailed discussion with the members of the Board, Messrs. Wayne and Sewall left the meeting.

Thereupon it was voted to refer to the Committee on District #3 for recommendation, the request of the Federal Reserve Bank of Philadelphia for reconsideration of the Board's action in not approving the increases in salary recommended for Governor Norris and Deputy Governor Hutt.

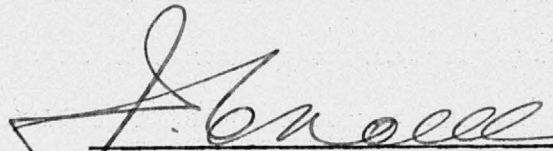
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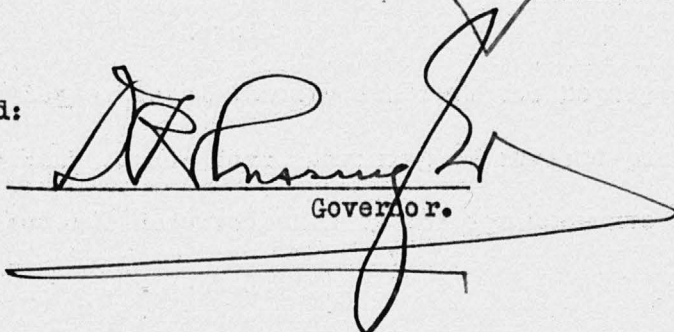
The Governor then reported that he had been advised over the telephone by Mr. Woolley, Deputy Chairman of the Federal Reserve Bank of New York, that Mr. Owen D. Young would tender his resignation as a Class B director of the bank at the next meeting of the directors on Thursday, January 13th, and would at that time qualify as a Class C director of the bank under the appointment made by the Board.

Pursuant to the authority given to the Committee on District #2 to tender to Mr. Gates W. McGarrah appointment as Class C director and designation as Federal Reserve Agent and Chairman of the Board of Directors of the Federal Reserve Bank of New York, the Governor reported that arrangements had been made for Mr. McGarrah to come to Washington to confer with the Board on Tuesday, January 11th at 10:00 o'clock.

The meeting adjourned at 4:45 p.m.


Assistant Secretary.

Approved:


Governor.