

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, September 10, 1929 at 12:00 o'clock noon.

PRESENT: The Chairman
Governor Young
Mr. James
Mr. Cunningham
Mr. Pole
Mr. McClelland, Asst. Secretary

The minutes of the meeting of the Federal Reserve Board held on September 5th were read and approved.

Telegram dated September 9th from the Secretary of the Federal Reserve Bank of Minneapolis, telegram dated September 7th from the Chairman of the Federal Reserve Bank of Dallas and telegram dated September 5th from the Chairman of the Federal Reserve Bank of San Francisco, all advising that their boards of directors at meetings on the dates stated made no changes in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Telegram dated September 6th from the Chairman of the Federal Reserve Bank of Chicago, advising that the executive committee at a meeting on that date made no change in the bank's existing schedule of rates of discount and purchase.

Without objection, noted with approval.

Letter dated September 5th from the Chairman of the Federal Reserve Bank of New York, advising that due to the inability of Mr. William C. Potter to attend the meeting of the Federal Advisory Council on September 17th, the board of directors of the bank has appointed Mr. James S. Alexander as substitute for the purpose of representing the district at the meeting.

Noted.

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Memorandum addressed to the Assistant Secretary by the Chief Telegrapher, advising that the services of Operator J. A. Bennett have been unsatisfactory and recommending that he be dropped from the roll, effective at the close of business September 7th; the memorandum recommending that the vacancy be filled by the appointment as operator at \$140 per month, effective September 10th, of T. N. Buckley who has been employed for several years as messenger in the Telegraph Office and has served satisfactorily as vacation relief operator.

The recommendations contained in the above memorandum were concurred in by the Executive Committee and, upon motion, approved.

Report of Committee on District #7 on letter dated September 6th from the Chairman of the Federal Reserve Bank of Chicago, advising of the resignation of Mr. Henry M. Butzel, Assistant Counsel for the Detroit Branch, and requesting approval of a salary of \$1500 per annum for Capt. Isadore Levin, appointed to succeed him; the Board's Committee recommending approval of the proposed salary.

Approved.

Reports of Committee on Salaries and Expenditures on lists submitted by the Federal Reserve Banks of Philadelphia, St. Louis and Dallas, of employees for whom the directors of those banks approved leaves of absence with pay, on account of illness, during the month of August in cases where the total of such absences since January 1, 1929 has exceeded thirty days; the Board's Committee recommending approval of the salary payments involved.

Approved.

Report of Committee on Examinations on letter dated September 5th from the Secretary of the Federal Reserve Bank of New York, transmitting and recommending approval of an application of the Harriman National Bank and

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Trust Company, New York, N. Y., for permission to accept drafts and bills of exchange drawn upon it up to 100% of its paid-up and unimpaired capital and surplus, under the provisions of Section 13 of the Federal Reserve Act; the Board's Committee also recommending approval.

Approved.

Report of Committee on Examinations on letter dated September 3rd from the Federal Reserve Agent at Atlanta, transmitting and recommending approval of an application of the First National Bank, Mobile, Ala., for permission to accept drafts and bills of exchange drawn upon it up to 100% of its paid-up and unimpaired capital and surplus under the provisions of Section 13 of the Federal Reserve Act; the Board's Committee also recommending approval.

Approved.

Draft of letter to the Chief Clerk of the Treasury Department recommending destruction, in the discretion of the Secretary of the Treasury, under any arrangement in accordance with the law, of certain papers, documents, etc., not needed in the transaction of the Board's current business and having no permanent value.

Upon motion, the proposed letter was approved.

Reply transmitted by the Governor under date of September 9th to letter dated September 5th from the Federal Reserve Agent at Dallas, regarding a request of Professor Westerfield of Yale University for information in connection with member banks in that part of Oklahoma included in the Eleventh Federal Reserve District to be used in a survey of bank and credit conditions in Oklahoma which he is conducting on behalf of Senator Pine; the reply advising that

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some months ago the Board interposed no objection to the Federal Reserve Bank of Kansas City cooperating in the investigation being conducted by Senator Pine and expressing the opinion that it would be unfortunate if the Dallas bank did not cooperate to the same extent.

Upon motion, the letter transmitted by the Governor was noted with approval.

Memoranda from Counsel dated August 1st and August 22nd, advising that a petition for a writ of certiorari has been filed in the Supreme Court of the United States in the so-called Apfel (Foreign Financing Corporation) case; Counsel advising that under the rules of the Supreme Court the Solicitor General of the United States represents the government in all cases in that court and the case is now in his hands.

After discussion, during which the Governor reported that Counsel has since been cooperating with the Solicitor General's office in the preparation of the necessary brief, the memoranda were noted.

Memorandum from Counsel dated September 5th, with regard to a request from the Deputy Governor of the Federal Reserve Bank of Cleveland for a ruling on the question whether sand and gravel should be considered readily marketable staples within the meaning of Section 13 of the Federal Reserve Act; Counsel submitting drafts of letters to the Secretary of Commerce, requesting information as to the markets for the products named and to the Chairman of the General Committee on Bankers Acceptances, requesting him to communicate with the members of that committee regarding the marketability of sand and gravel in their districts and to report to the Board with his recommendation.

Upon motion, the letters submitted by Counsel were approved.

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The Assistant Secretary presented draft of reply, approved by the Governor, to letter dated July 5th from the Acting Secretary General of the League of Nations, regarding a proposed International convention for the suppression of counterfeiting securities, which at the meeting on July 30th was ordered referred to the Federal Reserve Bank of New York and the Treasury Department; the proposed reply transmitting a letter on the subject addressed to the Economic and Financial Section of the League of Nations by the Chief of the United States Secret Service Division, and advising that since the American Bankers Association would be keenly interested in the proposed convention, the matter is being referred to that association with a request that its views be forwarded direct. The Assistant Secretary also submitted draft of an appropriate letter to the President of the American Bankers Association.

Upon motion, the letters were approved as submitted.

REPORTS OF STANDING COMMITTEES:

Dated, September 5th, Recommending changes in stock at Federal Reserve banks
6th, as set forth in the Auxiliary Minute Book of this date.
9th, Recommendations approved.
10th,

Dated, September 4th, Recommending approval of the application of Mr. Wm. A. Parker for permission to serve at the same time as director of the First National Bank of Easton, North Easton, Massachusetts and as director of the Second National Bank of Boston, Massachusetts.

Approved.

Dated, September 4th, Recommending approval of the application of Mr. Charles Hendry for permission to serve at the same time as director and officer of the Newtown National Bank of New York, N. Y. (organizing) and as director of the Elmhurst National Bank of New York, N. Y.

Approved.

The meeting adjourned at 12:45 p.m.

Approved:

A. C. Nelson

Chairman.

C. W. W. Cleveland
Assistant Secretary.