

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Saturday, April 19, 1930 at 10:45 a.m.

PRESENT: Governor Young
Mr. Platt
Mr. Hamlin
Mr. Miller
Mr. James
Mr. Cunningham
Mr. Pole
Mr. McClelland, Asst. Secretary
PRESENT ALSO: Dr. Goldenweiser, Director, Division
of Research and Statistics.

There was further discussion of the question of the authority and responsibility of the Board under the Federal Reserve Act, with reference to inquiries that may be made of the Federal Reserve Bank of New York under the statute of the Bank for International Settlements.

The Governor advised that he is making arrangements for the Secretary of the Treasury to attend a meeting of the full Board on Monday morning at 10:30 o'clock, and the question was made special order of business for that meeting.

In the same connection, Mr. Miller was authorized to prepare, in consultation with the Board's Counsel, draft of a letter to the Attorney General of the United States on the question.

The Governor then referred to the following memorandum submitted by Mr. James at the meeting yesterday:

"In view of the conditions shown in the Federal Reserve Board press release for April 17th, 1930, showing condition of weekly reporting member banks, which discloses the fact that loans on securities to brokers and dealers by member banks is higher now than in any period excepting October 30th and November 6th, 1929, I wish to offer a motion that the Board give consideration to calling a meeting of the Open Market Policy Conference at an early date, with a view of arranging for the disposal of not less than fifty million Government securities."

Mr. Miller presented draft of a letter to all Federal Reserve banks which, during the discussion which followed, was amended and accepted by Mr. James as a substitute for his motion.

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At the conclusion of the discussion, the Governor was authorized to transmit the letter to the Governors of all Federal Reserve banks, in the following form, and to change the date of the proposed meeting, if necessary or advisable:

"Money market and related developments since the last meeting of the Open Market Policy Conference March 24-25 have been such as to lead to some thought here, as elsewhere, that the relation of the Federal Reserve System to current trends should be reviewed with a view of determining whether the System's position should be readjusted;- and, more particularly, whether the System portfolio of Governments should be maintained at its existing level.

"With these considerations in mind, I am writing to ask whether you think a meeting in the near future is desirable, and whether it would be convenient for you to attend, if the meeting were called for Monday, May 5th. It is realized that not all members of the Conference may find it convenient to attend, especially those living at a distance; and the fact that two meetings of the Conference have already been held this year is not overlooked by the Board.

"A written statement of views would be appreciated by the Board from any bank not participating in the meeting of the Conference, should it be called."

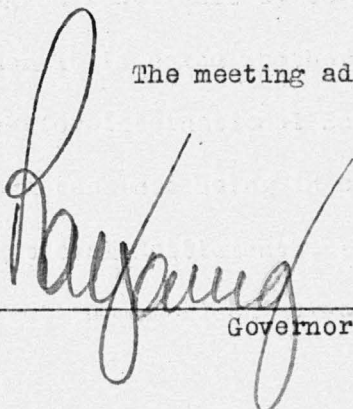
Mr. James then advised the Board of word received from the Federal Reserve Bank of St. Louis of the death of Mr. William Black, one of the Board's appointees to the directorate of the Louisville Branch.

Noted, with regret, and the question of an appointment for the unexpired term ending December 31, 1932 referred to the Committee on District #8.

Mr. Miller then advised the Board that he is making arrangements for a trip abroad, leaving Washington about June 7th to return around the middle of August.

The meeting adjourned at 12:00 o'clock noon.

Approved:



 Governor.



 Assistant Secretary.