

MINUTES OF MEETING
of the
FEDERAL ADVISORY COUNCIL
September 15-16, 1930

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September 15, 1930.

The third statutory meeting for 1930 of the Federal Advisory Council was convened in Room 736 of the Mayflower Hotel, Washington, D. C., on Monday, September 15, 1930, at 10:15 A.M., the Vice-President, Mr. McKinney, in the Chair.

Present:

Mr. Herbert K. Hallett	District No. 1
Mr. William C. Potter	District No. 2
Mr. Howard A. Loeb	District No. 3
Mr. John Poole	District No. 5
Mr. J. P. Butler	District No. 6
Mr. Melvin A. Traylor	District No. 7
Mr. Walter W. Smith	District No. 8
Mr. George H. Prince	District No. 9
Mr. Walter S. McLucas	District No. 10
Mr. B. A. McKinney	District No. 11
Mr. F. L. Lipman	District No. 12
Mr. Walter Lichtenstein	Secretary

Absent:

Mr. Harris Creech	District No. 4
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Mr. McKinney notified the Council formally of the death of its President, Mr. F. O. Wetmore, which occurred on August 26, 1930.

The resolution attached hereto was adopted unanimously, the members standing in token of respect to the memory of Mr. Wetmore.

It was voted to proceed to the election of a President of the Council in place of Mr. Wetmore. Mr. B. A. McKinney was nominated. On motion, duly made and seconded, the nominations were closed and the Secretary was instructed to cast one ballot for Mr. McKinney, who was thereby elected President of the Council for the balance of the year 1930.

The election of Mr. McKinney created a vacancy in the office of Vice-President. Mr. Walter W. Smith was duly nominated for this office. On motion, duly made and seconded, the nominations were closed and the Secretary was instructed to cast one ballot for Mr. Smith, who was thereupon declared elected Vice-President of the Council for the balance of the year 1930.

Mr. McKinney announced that Mr. Melvin A. Traylor had been elected by the Board of Directors of the Federal Reserve Bank of Chicago to succeed Mr. Wetmore as representative of District No. 7 for the balance of the year 1930.

The President called for nominations to fill two vacancies in the Executive Committee. Messrs. Loeb and Traylor were nominated and on motion, duly made and seconded, these gentlemen were unanimously elected members of the Executive Committee for the balance of the year 1930.

The Executive Committee therefore now consists of the following members: Messrs. B. A. McKinney, Walter W. Smith, William C. Potter, Howard A. Loeb, Harris Creech, and Melvin A. Traylor.

On motion, duly made and seconded, the minutes of the Council meeting of May 19-20, 1930, copies of which had been previously sent to the members, were approved.

Mr. McLucas presented a letter from Mr. M. L. McClure, Chairman of the Board of Directors of the Federal Reserve Bank of St. Louis, dated September 12, 1930, dealing with collection items of non-member banks. The Secretary was instructed to send copies of this letter to the members of the Federal Advisory Council so that the question presented might be discussed at the meeting of the Council in November.

The Secretary presented a letter from the Willard Hotel at Washington, addressed to Mr. Wetmore under date of August 23, asking the Council to hold some of its meetings at the Willard. It was decided to take no action in regard to this communication.

It was voted to appoint a committee of three to consider Bill S. 4723 (Glass Bill of June 17, 1930). The President appointed the following committee: Messrs. Loeb, Chairman, Prince and Butler.

Dr. E. A. Goldenweiser, Director of the Division of Research and Statistics of the Federal Reserve Board, presented an interesting survey of business conditions.

The meeting adjourned at 2 P.M. to reconvene at 10 A.M. on September 16 in the office of the Secretary of the Treasury at which time the newly appointed Governor of the Federal Reserve Board, Mr. Eugene Meyer, is to take the oath of office.

WALTER LICHTENSTEIN,

Secretary.

FEDERAL ADVISORY COUNCIL

RESOLUTION UNANIMOUSLY ADOPTED BY THE
FEDERAL ADVISORY COUNCIL IN SESSION
AT WASHINGTON, D. C., SEPTEMBER 15, 1930

THE MEMBERS OF THE FEDERAL ADVISORY COUNCIL DESIRE TO GIVE EXPRESSION TO THE PROFOUND SORROW CAUSED TO THEM BY THE DEATH OF THE PRESIDENT OF THE COUNCIL, FRANK ORTON WETMORE, WHICH OCCURRED ON AUGUST 26, 1930.

IN MR. WETMORE THE COUNCIL LOSES A LEADER WHO HAS BEEN OF THE GREATEST SERVICE IN DEVELOPING THE FUNCTIONS OF THIS BODY AND IN MAINTAINING THE MOST CORDIAL RELATIONS WITH THE FEDERAL RESERVE BOARD.

MR. WETMORE WAS A MEMBER OF THE COUNCIL FROM 1925 ON, AND ITS PRESIDENT FROM 1926. IN ALL THAT TIME HE ENDEARED HIMSELF TO HIS FELLOW MEMBERS BY HIS UNFAILING COURTESY AND HIS SENSE OF FAIRNESS; HIS ABILITY LEFT A DEEP IMPRESS UPON THEIR MINDS. IN HIM THE BANKING COMMUNITY MOURNS THE LOSS OF ONE WHOSE STANDARDS OF BANKING ETHICS AND BUSINESS INTEGRITY WERE OF THE HIGHEST.

RESOLVED, THAT THIS RESOLUTION BE SPREAD UPON THE MINUTES OF THE COUNCIL AND THAT A COPY THEREOF, SUITABLY ENCLOSED, BE SENT TO MR. WETMORE'S FAMILY AS AN EXPRESSION OF THE HEARTFELT SYMPATHY OF THE MEMBERS OF THE FEDERAL ADVISORY COUNCIL.

MINUTES OF JOINT CONFERENCE OF THE FEDERAL ADVISORY COUNCIL
AND THE FEDERAL RESERVE BOARD

September 16, 1930.

At 10:00 A.M. the members of the Council assembled in the office of the Secretary of the Treasury and witnessed the ceremony of swearing in the new Governor of the Federal Reserve Board, and at 10:10 A.M. adjourned to the Federal Reserve Board Room, Treasury Building, Washington, D. C., where a joint conference of the Federal Advisory Council and the Federal Reserve Board was held.

Present: Members of the Federal Reserve Board:

Governor Eugene Meyer; Mr. John W. Pole, Comptroller of the Currency; Messrs. C. S. Hamlin, A. C. Miller, G. R. James, and E. H. Cunningham; also E. M. McClelland and J. C. Noell, Assistant Secretaries of the Board; Walter Wyatt, General Counsel of the Federal Reserve Board; E. A. Goldenweiser, Director, Division of Research and Statistics, Federal Reserve Board; Carl E. Parry, Assistant Director, Division of Research and Statistics, Federal Reserve Board; and E. L. Smead, Chief of Division of Bank Operations.

Present: Members of the Federal Advisory Council:

Mr. B. A. McKinney, President; Mr. Walter W. Smith, Vice-President; Messrs. H. K. Hallett, William C. Potter, H. A. Loeb, Harris Creech, John Poole, J. P. Butler, Melvin A. Traylor, George H. Prince, Walter S. McLucas, F. L. Lipman, and Walter Lichtenstein, Secretary.

A lengthy discussion took place regarding present business conditions, rediscount rates and open market operations.

The meeting adjourned at 12:35 P.M.

WALTER LICHTENSTEIN,

Secretary.