

TOPICS FOR DISCUSSION AT CONFERENCE WITH GOVERNORS OF
FEDERAL RESERVE BANKS, JULY 1, 1918.

- I. Curtailment of credits
- II. Discount rates at Federal Reserve banks
 - (a) Method of extending "to each member bank such discounts, advancements and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks."
 - (b) Proposed differential above official discount rate to apply to offerings of member banks in excess of their required reserve balance or multiples thereof.
 - (c) Memorandum of Honorable A. C. Miller.
 - (d) Letter of Honorable Charles S. Hamlin.
- III. Interest rates paid by member banks on bank balances and deposits.
 - (a) Discussion of method for standardizing rates and preventing undue competition between banks for deposits.
- IV. Indirect discounts for non-member banks.
 - (a) Effect of such accommodation through member banks upon Federal Reserve banks and their membership. Should limitations be imposed upon such accommodations?
- V. Branches and Agencies.
 - (a) Are uniform by-laws for branches desirable?

What considerations should govern in the establishment of branches?

Is it desirable to establish agencies in local financial or industrial centers where branches are clearly inexpedient?
- VI. Exchange rates.
 - (a) Is it expedient at this time to regulate charges which may be made by member banks on checks deposited with them which are cleared through the Federal Reserve banks?

VII. Inter-district clearings.

- (a) Time allowances are based at present upon time in transit to each Federal Reserve bank, plus additional time for actual collection of intra-district items, transfers of actual collections being made by wire. In order to protect Federal Reserve banks from excessive float, exchange on other districts is purchased by Federal Reserve banks from member banks at a discount.

Is it feasible or desirable to extend time allowance so as to provide for mail transfers between Federal Reserve banks, thus enabling the Federal Reserve banks to take exchange from member banks at par and involving a redistribution of the float among the member banks and their customers?

VIII. Federal Reserve Exchange drafts.

- (a) To what extent are these instruments being used and do banks which use them promptly advise Federal Reserve banks of their drawings?

Should Federal Reserve exchange drafts, when properly advised, be made instantaneously at any Federal Reserve bank and cleared through the gold settlement fund?

IX. Bankers Acceptances.

- (a) Are they being paid in actually collected funds on day of maturity, or if not, is penalty of one day's additional interest imposed where checks are received payable the next day through the local clearing house?

X. Fiscal Agency operations.

- (a) Discussion of plans for sale of current issues of Treasury certificates and for redeposit and withdrawal of funds.

XI. Negotiations with foreign Governments involving shipments of gold six months after the conclusion of the war.

- (a) Plan for division of this liability among all Federal Reserve banks in an equitable proportion.

XII. Adjustment of employes' salaries.

- (a) How best effected; general discussion of salary question with recommendations.