

June 18, 1946.

The Honorable G. F. Towers,
Governor, Bank of Canada,
Ottawa, Canada.

Dear Governor Towers:

It occurred to me that you might be interested in receiving the enclosed mimeographed copy of the major part of the text of our Annual Report which we have just issued without waiting for the usual printed copies to come off the presses.

You are, I know, familiar with the problem of debt monetization which we are facing but I thought you might like to note what we have to say about interest rates. I recall your own comments in your annual report a year or so ago on interest rate policy as a monetary instrument under modern conditions.

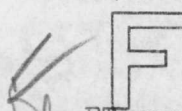
It has been a long time since you visited us and I hope that you will be coming to Washington one of these days and that I may have the pleasure of seeing you again.

Sincerely yours,

(Signed) M. S. Eccles

M. S. Eccles,
Chairman.

Enclosure

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Bank of Canada

Ottawa, June 24th, 1946

The Hon. Marriner S. Eccles,
Chairman of the Board of Governors,
Federal Reserve System,
Washington.

Dear Mr. Eccles,

I had of course seen references to the Annual Report, and am very glad to receive the full text which was enclosed with your letter of June 18th. I shall read the Report with much interest.

It is indeed a long time since I have been in Washington, but I am afraid there is not much chance of my being able to pay a visit in the near future. My own and other people's holidays are an impediment to trips during the two summer months. However, I hope to take advantage of the meeting of the Governors of the International Fund in September to spend some extra days in Washington, and I shall hope to see you at that time.

Yours sincerely,

H. T. Inver