

At an informal meeting of the Federal Reserve Board held in the office of the Governor at 12.50, on Monday, October 29,

PRESENT:

Governor Harding, presiding, Mr. Williams,
Mr. Warburg, Mr. Hamlin,
Mr. Delano, Mr. Willis, Secretary.

Present also, Mr. Albert Strauss, representing the Secretary of the Treasury.

Discussion of the Canadian situation was taken up, Messrs. Delano and Williams favoring a liberal treatment. Mr. Strauss thought that it would be possible to make arrangements with the Canadians somewhat similar to that already arrived at with South American countries. Mr. Warburg suggested that a plan be devised whereby the Canadians be allowed \$25,000,000 to \$30,000,000 gold at the rate of \$10,000,000 per month, the total to be returned by July 1, 1918.

Mr. Harding said that the Canadians in their argument had not made out their case. He thought a Committee ought to be named to arrange for the use of Federal Reserve bank balances on some basis as reserves for Canadian notes and other liabilities.

It was agreed that the Board meet again with the Committee at 2.30 and that at that time a tentative plan be arrived at.

At 1.10 p.m. the meeting adjourned.

APPROVED:

A. P. ...
Secretary.

Chairman.