

At a meeting of the Federal Reserve Board held in the office of the Governor at 2.30 p.m., Monday, October 29, 1917,

PRESENT:

Governor Harding, presiding, Mr. Hamlin,

Mr. Warburg, Mr. Williams,

Mr. Miller, Mr. Willis, Secretary.

Mr. Delano,

Present also, Mr. Albert Strauss.

Present also:

Sir Vincent Meredith, Bank of Montreal,
 Sir Edmond Walker, Canadian Bank of Commerce,
 Sir John Aird, Canadian Bank of Commerce, and
 President, Canadian Bankers Association,
 Mr. Clarence Bogart, Dominion Bank of Canada,
 Mr. H. W. Richardson, Bank of Nova Scotia.

Governor Harding stated to the Canadian representatives that the Board had carefully considered the matter presented by them at the meeting in the morning. It was necessary for all to pull strongly together in the common cause and not to do anything that would interfere with it. Nevertheless the Board appreciated the situation in which the Canadian bankers find themselves and therefore suggests the following:

1. That a small committee representing the Canadian bankers be established and keep in close touch with a view to closer relationship between the two banking systems.

2. That the Board shall release without conditions all gold actually earmarked before the President's proclamation relating to exportations of coin, bullion and currency.

3. That the Board release among the Canadian banks in proportions to be determined by mutual agreement among themselves the following amounts of gold:

In November \$10,000,000
In December \$10,000,000
In January, 1918, \$5,000,000.

4. That the Canadian banks who have branches in the United States shall instruct their branches not to accumulate and hold gold in their own vaults, as this would be equivalent to earmarking.

The visiting bankers agreed that the proposed plan would be acceptable, if it was the best that could be had, and asked for further agreement on the part of the Board to release the gold and silver equivalent of the content of Canadian ores shipped to the United States for refining.

In reply Governor Harding assured them that the future product of the mines would be so released, but that this could not be made retroactive.

It was agreed that Mr. Pease represent the Canadian Bankers and that release of gold be made upon his approval in the case of any and every bank applying for the same.

At 3.00 p.m. the meeting adjourned.

APPROVED:

H. Parker Wells
Secretary.

Chairman.