farms than she is doing at the present time. If this half-million which goes to the building of a huge sky-scraper, which is unnecessary, were loaned to small manufacturers, it would be infinitely better for the country. A bank could loan a small manufacturer twenty or twenty-five thousand dollars, another one fifty or seventy-five thousand, and others still a larger amount. In a year or two these factories would become producers, and therefore cut down the heavy importations of goods which Canada is forced to make at the present time. To encourage home industry in this country is a far more laudible move than financing "Wild Cat" real estate propositions and the wholesale building epidemic which has taken possession of our cities. In brief, too much money has been going into brick and mortar in the shape of office buildings and too little into factories. The remedy for this matter is largely in the hands of the banks, and they could not do better than follow the present slump by a systematic campaign for the encouragement of factories.

The second great lesson to be learned is, the encouragement of an increased output of farm products. It is little short of disgraceful that Canada should be importing food stuffs! Primarily, we are agricultural people, yet we are not growing sufficient food at the present time to satisfy our wants. British Columbia last year imported some eighteen million dollars worth of food stuffs; while to-day thousands of men are walking the streets of Vancouver looking for work. On the prairies, apart from the growing of grain, there is not sufficient food stuffs produced to satisfy the wants of the people. Even Ontario, probably the finest agricultural country in the world, is not growing enough of certain kinds of food stuffs to supply the people of that province. This is not as it should be. In some way, more people must be encouraged to go on the farm. Bankers can assist in this work by granting loans to farmers and making extension of credit a simpler and more elastic thing than it is at the present time. In addition, the Government can do much by improving conditions. The establishment of the parcels post, the extension of the rural mail and other privileges, will also tend to make farming a more congenial and profitable occupation.

The present is an opportune time for the banks to start afresh. In a large measure, the "decks have been cleared," many of the margined and poorly held accounts have "gone by the boards," and a healthier tone prevades the whole situation. The banks by encouraging an increased output in factory and farm, would be doing an inestimable good to the country. We need a second Carlyle who will thunder out "Produce"!

IN PRAISE OF OUR BANKING SYSTEM.

There is a growing tendency among American publications to pay more and more attention to Canada and Canadian methods of doing business. This is a striking contrast to the old way of ignoring or rediculing Canada and things Canadian.

Just at the present time, there is an agitation in the United States in favor of a remodelled banking system, and many of the leading journals of the country are urging the Government to establish a new banking system modelled on the principle of that in operation in Canada. In a recent editorial, "Collier's Weekly" pays a striking tribute to the elasticity and effectiveness of the Canadian banking system, and scores the inelastic and archaic system in vogue in the United States. The article which is flattering to our banking system, follows:—

"The time has come for us to grow out of our invertebrate scheme of banking. A beginning might be made by permitting a national bank to open as many branches as it likes in the particular State in which it is located. Its note-issuing power should be extended so that it could issue up to the amount of its capital, as in Canada, and without depositing bonds. The value of this power has been exaggerated. In Canada the issue rarely raches more than 50 or 60 per cent of the limit, and has seasonal variations. This is an ideally elastic currency. It expands and contracts with the demands of business. Six years ago nearly every bank in the United States virtually closed its doors. In Canada not one bank closed. The plan we suggest will meet with hot opposition from the small banker. But the small banker is precisely the weak, isolated, uncertain unit, which ought to be incorporated into a branching system in which capital and exchange would flow with the precision and ease of blood in the human body. Banks with so small a capital as $25,000 should not be permitted, for the smaller communities have the same banking need as the larger. Across our northern boundary is the most admirable banking system in existence. It is not a pleasing commentary upon our ststesmanship that practical contact even with this instructive example fails to stir so much as a passing interest in its possibilities for this country.

LLOYD GEORGE'S LAND CAMPAIGN.

Preparations for the "land Campaign" which is to be opened in the autumn by Mr. Lloyd George are being pushed forward. The discussion is one that concerns us internally and alone; but in its effect it may touch emigration