

last season; the timothy looks, and will no doubt turn out, to be superior. The quantity of barley sown last spring would seem to be much greater than ever before, and the farmers have splendid prospects of a good crop before them. The high prices obtained for barley of late years, as well as its greater certainty of yielding well, are rendering it popular as a crop. Root crops have taken well. Potatoes, turnips and carrots, all look promising so far, but it is rather early to speak with any certainty of results.

Another important part of the farmers' products, and one annually becoming larger, is the fruit crop. In quantity and excellence, Ontario fruit is rapidly taking a front rank, and we are glad to know that this season the orchards promise abundance of almost every variety. In consequence, we suppose, of the coolness of the season, the insects seem to have been less destructive than usual.

We think the country can be honestly congratulated on our present harvest prospects. As a merchant remarked to us one day last week, "he never knew the farmers not to complain before in all his experience." The men of the plough have too often cause for complaint, and good as we think their prospects this year, we do not anticipate they will have no cause for grumbling before the crops are all securely housed. But it is gratifying to know, both for their sakes and also of the business public, that Ontario seldom, if ever, promised to yield larger crops than at the present time.

A ride in the country districts of western Ontario is enchanting just now. Luxuriance marks both field and forest. Nature is at its meridian. The rain and sunshine of summer have stamped the country with vernal beauty. The "whirl" of the mowers, and the merry laugh of the hay-makers, coming to the ear as music. The rustle of the fast-ripening grain begins to be heard, and tells the husbandman of reward for his toil—of comfort and of joy. The scene is no less cheering to the tradesman and the merchant, who, it may be, have experienced "hard times," and whose hearts fill again with hope as the signs of a plentiful harvest greet their eyes. May nothing occur to dim the brightness of our present prospects!

#### RATHER STARTLING!

THE developments which have just taken place at Ottawa are certainly rather startling. We do not propose to discuss the guilt or innocence of the prisoner Reiffenstein, who is charged with larceny of the public monies passing through his hands. The criminal courts is the proper tribunal to determine that. But is not the very idea startling, that after all the checks—after all the auditing system—which has been established by the government, wholesale stealing from the public exchequer is a possible thing!

Certainly the facts which have come to light in connection with the prosecution of Reiffenstein, do not reflect much credit upon the system in existence in the government departments, or the chiefs whose duty it is to see that system properly worked. That so much money should have been improperly taken from the Municipalities' Fund, and for so long a time, would strongly indicate "something rotten in the state of Denmark." And this leads us to say that, whilst there are doubtless many honest and laborious and efficient officials in the public services at Ottawa, there are notoriously many who are neither fitted by their ability nor their habits for the positions they occupy. Not a few of them live altogether "too fast." Good dinners are more looked after than public duties, and yet in many cases, when a new minister comes into a department, he finds himself completely at the mercy of such men! Such a state of things should not be allowed to continue a day longer than is necessary to apply a remedy.

This startling embezzlement—or whatever the lawyers may call it—has awakened uneasy feelings that a screw may be loose in other quarters than the one in which Reiffenstein was employed. If thousands of dollars have been stolen from one department, why not from others? What guarantee have the community that this case is an exception—that there are not more leaks? The circumstances certainly call for a thorough investigation into the way in which the large sums annually obtained by each department of the government are spent. A commission would appear to be useless, for had we not one sitting nearly all last year at a vast expense? Surely, if this body had been at all argus-eyed, those larcenies in the Receiver General's department would have been detected. But the commission effected nothing in that way, and very

little in any other, although the Dominion paid pretty sweetly for the services rendered. Some investigation is imperatively called for, however, and the government are the proper parties to decide what character the investigation shall take.

There is one step—often contemplated but long delayed—which the government might take. That is, to cleanse the departments, by dismissing every incompetent and "fast" employee. Many of these are well known; they draw their salaries promptly, but are scarcely worth the salt which they eat. They act as if they were pensioners on the public, and are as proud as they are useless. This class wants "weeding out," and the faithful, upright clerks deserve encouragement. If this course were pursued, and every official at Ottawa made to understand that his day's wages had to be honestly earned, the public business would not be delayed as it too often is, and fewer scandals would take place like that which has just come to light.

#### THE WHEAT CROP OF THE STATES.

THE Press of the United States is already beginning to "calculate" the yield of wheat during the present harvest. The prospects of a large crop are good, and it is predicted that the returns this season will be larger considerably than for several year's past. We think there are reasonable grounds for holding this opinion. The effect of withdrawing so many men from the pursuits of peace to take up arms, was soon seen in a largely decreased agricultural production, and it is only reasonable to expect that as the Union armies have been disbanded, and the volume of labour thereby increased, the production of wheat and other produce will be stimulated.

The following is the estimate made by a leading American authority, as to the quantity of wheat which will be reaped this year throughout the United States:—

	Bush.
Illinois.....	23,336,023
Indiana.....	17,548,287
Wisconsin.....	15,656,458
Ohio.....	15,119,047
Virginia.....	13,130,977
Pennsylvania.....	13,042,165
New York.....	8,681,105
Iowa.....	8,449,403
Michigan.....	8,336,268
Kentucky.....	7,894,899
Maryland.....	7,103,480
California.....	5,998,470
Tennessee.....	2,459,268
North Carolina.....	4,783,700
Missouri.....	4,247,686
Minnesota.....	12,000,000

These figures cannot, of course, be implicitly relied upon, as they are only the result of calculation, and we know that the best of statisticians often get astray. But they may be accepted as approximately correct, and they go to indicate that the United States production of this great staple is once more steadily augmenting. In 1862, their exports of wheat to Great Britain (counting in flour) were 40,628,161 bush., but they ran down rapidly till 1866, in which year they were considerably less than two millions of bushels! This was an immense falling off. Since 1866, the exportation of wheat to Great Britain has begun to augment again; in 1867, it jumped up to 9,504,568 bushels, and last year it was over twelve and three quarter millions. And if the above figures are realised, the shipments this fall will, in all probability, show a still further advance.

One important fact brought out by the above statistics, is the increasing production of Wheat in the Western States, and the decreasing supply obtained from those of the East. Considering the limited number of its inhabitants, Minnesota distances all its competitors in wheat raising—a fact by the light of which we may form some estimate of what we may expect from our recent North-West acquisition before many years. Notwithstanding all the advantages of labour-saving machinery, and a supposed better system of husbandry, the States of the Mississippi are not keeping pace with those between that river and the Pacific, in the production of breadstuffs, and the American Commissioner of Agriculture has predicted that the centre of wheat production will be beyond the Mississippi before ten years. This is a very significant fact, and would go to show that it is in the virgin soils that wheat flourishes best, and that after fifteen or twenty years cropping, the large returns of earlier years cannot be obtained. This would appear to be American experience, and the same may be said of some parts of Canada, but we have no doubt that a better system of farming than is now generally em-

ployed on both sides of the lines, would do much to bring about different results.

The crop prospects of the world is a subject which always possesses interest for the people of this country. It is when we have an abundant harvest on this continent, with a scarcity abroad, that Canada prospers most. Last year the European wheat crops were up to the mark, that of Great Britain, being exceptionally good both in quality and extent; ours was not equal to former years, and conjoined with low prices, has produced considerable dullness in trade. It is probably too early to speak with any certainty as to the supply of wheat which Europe will furnish this year. But both in the United States and in this country, the harvest of 1869 promises to be abundant, which is so far satisfactory, as a bountiful crop is almost sure to produce better times.

There are some who believe that breadstuffs will rule lower for a few years, than they have done for some time past. For several years the prices of wheat and flour have been exceedingly high, and it may be that under this stimulus, the production of breadstuffs has augmented so much as to effect a reduction in prices. But if the supply has increased, so has the demand, and we are not inclined to attach a great deal of weight to such prognostications. One thing may, we think, always be relied upon with certainty—the price of breadstuffs will and must always remain sufficiently high to amply repay the farmer for the time and labour bestowed in their cultivation.

#### THE BANKING SYSTEM OF THE DOMINION.

No. III.

HAVING, then, shewn the obligation that rests upon Government to protect from loss, as far as they can be protected, the holders of bank-notes, and the desirability of also looking after the interests of depositors, it remains for us to consider what is the most desirable way to attain these ends.

Two systems have been brought forward prominently, and in direct antagonism to each other, in the recent discussions on the subject. The one is that at present in existence, and the other that contained in Mr. Rose's resolutions.

Let us first see from which of these systems the public creditors of banks are likely to derive the greatest security. As regards note-holders, there can be no question that Mr. Rose's scheme would give greater protection, in fact almost absolute security for the payment of notes within a very brief period after suspension of any bank. Under that scheme, the circulation would be represented, dollar for dollar, by Government debentures, and be besides a first charge on all the assets of the bank. Loss on notes would thus be almost impossible. Under the present system, loss on notes in case of failure is possible—probable, if the bank has to be wound up. Holders of Bank of Upper Canada notes were large losers; and Commercial Bank notes would also have been sacrificed had not arrangements been made for continuing business. In the case of the Royal Canadian, under the present system, loss on notes has not been heavy, but it generally was greatest to those who could not afford to hold, and were obliged to sell immediately after the suspension of the Bank. In this last instance, although depositors undoubtedly were withdrawing their funds rapidly, under a system like that proposed by Mr. Rose, there would have been no pressure from note-holders, and the demands of depositors alone would have been met without so reducing the reserves as to compel suspension. Under the present system there is no check on over issues of notes on the part of any bank that may choose to do a risky business. The bank note circulation of the whole country cannot very well be increased beyond its needs, but individual banks may secure for themselves more than their share of that circulation without any possible interference from Government, or any sufficiently strong check in the nature of their business. It is true that a wise banker will not attempt to keep out too large a circulation—he knows the danger of it; but under rash or incompetent management, the temptation to over issues may be altogether too strong to be resisted. If so far in the history of this country there have been comparatively few failures of chartered banks, the fact is we think to be attributed more to the general carefulness of bank management than to the system, which has been found quite inadequate to prevent failure in the case of mismanagement. It is not likely, either, that in the years to come there will be an access of prudence on the part of bankers; the tendency is undoubtedly in the other direction,