

The Commercial

WINNIPEG, SEPTEMBER 11, 1883.

WORSE SCARED THAN HURT.

The much talked of fourth of September has passed over, and the last prophecies of the commercial alarmists have proved imaginary once more. The reports from bankers, manufacturers and wholesale merchants is again of a very encouraging nature, the paper falling due on that day having been met with a promptitude which surprised the most hopeful. The class who are always ready to borrow trouble ahead, especially when the trouble is meant to fall upon their neighbor are at last beginning to be convinced that matters are not so bad as they have been picturing, and indeed among business circles generally in the North-west the impression is general, that we have all been worse scared than hurt by the time of commercial depression we have just passed through.

It is almost amusing to note the changed tone of many who a few weeks ago were among the most hopeless grumblers. Many can see now, how they were perfectly correct in their opinions all along, although where their correctness comes in it would be difficult to tell. The Job's comforter who a few weeks ago predicted that at least one half of the business institutions of the North-west would be in insolvency before the close of the present year, now firmly believe, that they never held nor expressed such an opinion, and like the coward who crawled into a hole while the fight lasted, they now reappear to exult over the disappearance of danger. The feeling goes even further than this, for some are only too ready to boast of their share in tiding over the evil days, when in reality they only assisted in making matters more precarious. The alarmist claims that he foresaw all the danger, and aided much in averting it, and even some of our bank managers, who persevered in a stingy course during the most trying times now claim, that their action then has been productive of much good, and has saved the country from much greater commercial difficulty. Even some eastern manufacturers and wholesale dealers who a few months ago were doing all in their power to produce a panic in the North-west, have changed their tone very much, and speak in hopeful terms of

the country. Undoubtedly, many have lost heavily by the failures that have taken place, but the losses when compared with the volume of business done in the country will be found to be comparatively light. Over one third of the insolvents of the present year have shown a good surplus of assets over liabilities, and a few have, even after being in the hands of a receiver paid 100 cents on the dollar. A majority will pay a large composition, and in only a few instances have creditors been compelled to accept the pittance which are almost every week realized from insolvent estates in Eastern provinces. The facts are that many have gone to the wall in the North-west who should and could have weathered through. But there was a general scare, and the further the news of it travelled the more alarming it became. As during the crazy real estate boom few held their heads level through the excitement, and not unfrequently the most excited boomer was found to be the most despondent coward during the scare days.

But the scare is now over, although its evil effects will be felt for a year to come. It has only served to rock-root the leading financial, mercantile and manufacturing institutions of the country, while it has swept away a few mushroom ones. All the evil it has done, proves that it was to a great extent unnecessary, and now that it is over the whole business community of the North-west will be found to have been worse scared than hurt.

NORTH-WESTERN MINING.

Next to the development of the agricultural resources of this vast land of our adoption, that of developing its mineral resources should unquestionably come next in importance; and the returns to be derived from capital and energy employed in mineral development, are almost as certain as from those expended on agriculture, if they are as honestly expended in the one work as the other. It is well to keep these facts in mind at the present time, when rapid railway construction is opening up rich fields of different classes of mineral, the existence of which in the North-west has been questioned by many friends of the country, and positively denied by scientists, who in by-gone years claimed to know all about such matters.

North-western mining has hitherto been confined to a kind of hap-hazard hunt for gold in the Lake of the Woods and other

districts, and the greater portion of the operations yet carried out, have been in the direction of organizing joint stock companies with immense capital stocks, and placing shares on the market at various prices, to suit the gullibility of the purchaser. In short, so far as gold mining in Keewatin has been carried on as yet, the grab game has been the principal aim of the promoters of most of the companies organized for that purpose. The usual manner of procedure has been to organize a joint stock company, secure a few prominent politicians (M.P.'s, if possible) on the directorate, and get clear of as much stock as possible at the best figures that could be secured for it. Had the funds thus secured been applied in the work of mining, the cause for complaint would not have been so great. But companies have been floated and tens of thousands of dollars of returns for stock secured by their promoters, while not a tithe of the same have been employed in actual mining operations. Original proprietors, speculative and patronizing personages of importance, organizing adventurers and such like seem to have swallowed up ready cash as soon as it was secured; and in some instances the very miner who worked underground, was left unpaid for his labor. To-day there is little other evidence of Keewatin gold mining in existence, beyond a host of unpaid trader's bills, which it is impossible to collect from the mining companies who contracted them; a number of holes in the ground around the Lake of the Woods, gaping for more money to fill them; and an unnecessary quantity of neatly printed and carefully stamped and signed pieces of paper, dignified by the name of stock certificates; the owners of which anxiously wait for some return on their investment.

With affairs in the state above described it is not to be wondered at that many have come to the conclusion that mining in the North-west is a huge fraud, and the existence of gold there only a hallucination to trap the unwary. If, however, we are to put any faith in the opinions of disinterested experts who may be relied upon, such is not the case. The opinions of such are, that there is scarcely a claim yet touched on the Lake of the Woods, which would not pay a liberal dividend on a capital stock far beyond the cost of development. It is not, therefore, mining prospects which are to be complained of, but the unprincipled crowd of adventurers