nuggets and become suddenly wealthy must necessarily be doomed to disappointment. From a disinterested expert, however, we learn, that there are scores of points around the Lake of the Woods, where operations would be as steadily productive as, and a great deal more profitable than wheat raising. Gold fields of this class are the best kind of investments, and they have the advantage, that they do not attract around them a class of indolent and dreaming adventurers.

Looking at matters as they now stand there is a strong prospect of a mining boom setting in Kewatin, and it is to be hoped that operations, will be conducted upon a safe principle which will establish a valuable industry, and thus add greatly to the wealth of the North-west.

A MORAL INSURANCE COMPANY.

It has been whispered around during the past week, that recently the London and Lancashire Insurance Co.,of London,England,instructed there agent in this city to issue no more new polices, as owing to the low state of the moral barometer of Winnipeg that corporation had decided upon withdrawing from business in this city.

It is very much to be regretted that the moral suceptabilities of the managers of this righteous corporation have suffered so much and are in danger of contamination by their connection with this wicked city. They show very little of the missionary spirit, however, or they might double up their force here, and commence a work of conversion among us outcasts.

It is just possible, however, that the morality argument is not so strong as represented. The London and Lancashire was the first company to refuse to settle their obligations in connection with the Knappen House fire, and the course they followed in trying to evade the payment, savored strongly of subterfuge, but a Manitoba law court compelled them to pay. The same company are the heaviest loosers by the C. P. R., and Johonson Houses fire on Thursday evening, and it is very likely that their moral feelings will receive another serious shock, when the claims in connection with these are sent in by the adjuster. They may, however, experience a complete revulsion of feeling, and honestly acknowledge, that it is not so much lack of morality, as the fact that Manitoba courts compell the the payment of insurer's honest claimes, which makes them withdraw from the city of Winnipeg.

It must be admitted that in a rapidly growing city like Winnipeg, the population will include some "Black Sheep," gathered as they are from all quarters of the globe. The moral atmosphere, however, will compare very favorably with that of any new city in the Old World or the New, and its record for crime will stand comparison with that of many of the towns even of England. Its business men might well object to be compared morally with English insurance directors and managers, and a retrospective view of the English bankruptcy courts for the last twenty years, would show, that they were only using moral protection in so objecting.

The London and Lancashire Insurance Company have a perfect right to withdraw from Winnipeg business, but they should do so upon purely commercial grounds, and not cover their retreat with a spleeny and malicious slander of a city whose business men are the admired of all, for their energy, enterprise and straightforward manner of conducting business.

LOCKED UP CAPITAL.

The Toronto *World* of the 12th inst. publishes a column article under the heading of "North-west Craze," which contains an unpardonable collection of misrepresentations, wild and unreliable statements, and even deliberate perversions of facts regarding this country, which are quite in keeping with the policy that journal has hitherto pursued towards the North-west. Yet in this collection of rubbish there are a point or two worthy of the consideration of the business men of the city of Winnipeg in particular, and of Manitoba in general.

Regarding the Eastern Canadian Capital which has drifted into the North-west, the *World* says: "Had it been used in productive employment,it would have soon found its way back to the east, but it has been put into swamp lots and bogus lands."

Such a statement is unquestionably a stretching if not a perversion of facts, so far as where Eastern capital has gone,but as to its not being used in productive employment there is more truth than pleasantness in what the *World* says. One year ago capital from distant parts was begging investment in Manitoba, and strange to say but a small fraction of what came to the country was employed for the work of industral or commercial development. For months there was a regular mania for sinking every dollar of spare funds in real estate, not but we believe that the majority of the real estate investments made were perfectly safe to those who had funds sufficient to carry their load through a period of depression. But real estate speculations will not develop a new country no matter how unbounded the resources of the same. The results of the real estate excitement were not beneficial to staple business even while it lasted, and now that it has subsided, it has left a load on commerce and industry. Many of the real estate speculators who were aparently acquiring wealth rapidly during last winter and spring, have now every dollar locked up in property, the greater portion of which they cannot realize on for years to come. But this is not all, for these speculators have large loans from banks and elsewhere locked up with their own funds, and banks as a matter of necessity are compelled to carry the loads of such to avoid consequences which would be less desirable. In this manner an enormous amount of funds is locked up which should now be free and available for commercial and industrial purposes. It is this state of affairs which maintains the present monetary stringency in Winnipeg, and more than one bank manager in the city honestly acknowledges the fact. The funds which should be employed for commercial and industrial purposes, are thus locked up in investments which are accomplishing nothing for the upbuilding of the country, and which for profit depend upon the commercial and industrial development on which they now rest like a load. It would astonish many could they only learn the amount of funds are thus locked up in investments, which if they even are all safe and come out right in the end, will only benefit the speculator,and accomplish nothing for the progress of the country.

In the manner we have described, there is certainly a vast amount of funds locked up, which, if at liberty would soon relieve the monetary stringency now so keenly felt in Manitoba commercial circles. The borrowing of eastern bank directors and other financial irregularities in the east have no doubt a sympathetic feeling in the North-west, but certainly not enough to maintain this long stringency, which we certainly believe has its main cause in the local state of affairs above described.