

marketed and its gross value. From the annual reports he can form a fairly adequate idea of the amount of profit in a certain amount of ore of a certain grade. Given this information, which is always supplied voluntarily by reputable companies, but which should be made compulsory for all, he has some ground to go on for his confidence, or want of it, in his investments and is no longer subject to the panic influences of the moment. Legislation has been passed for the purpose of acquiring and circulating this information but it remains a dead letter. Unfortunately there does not exist at the present time a too cordial understanding between the mine owners and the Government of the country, and the former take every opportunity to display their resentment. The reasons for this it is unnecessary to enter into, nor need we discuss their validity. Whether that attitude of the mine owners is justifiable or not is not the question. The feeling exists, and as a consequence continual friction and irritation are engendered, where harmonious and sympathetic action would greatly conduce to the prosperity of the Province.

The White Pass and Yukon Railway company has earned profits amounting to £340,000 during the past year, which permits of a distribution to the shareholders of 30 per cent. on their invested capital. We should think this is the most highly profitable railway line in the world. Naturally a railway company operating into a placer-mining country must be expected to return higher dividends than most railways, because of the risk of the exhaustion of the deposits taking away its *raison d'être* altogether in the course of a few years. But the Yukon Territory served by this railway seems assured of being the scene of active operations for a very long time to come. In fact it is hard for us to realise that a time might come when this part of our country would again be given over to barren solitude. It seems more likely that without the assured life of the known placer deposits being taken into account other, and as yet unknown, districts will be opened up, as well as more permanent sources of wealth in the shape of quartz and copper deposits discovered, and that this railway will continue to serve a country in which the tide of enterprise is always rising and not falling. If that is the case the White Pass and Yukon Railway company has more to gain by acting as a colonization railway and stimulating the development of its territory in the matter of rates, than by grasping at every dollar which the industry of placer mining can afford to pay. And, indeed, while it is notorious that much complaint is current in Dawson over the freight rates of the White Pass and Yukon railway, directors of individual enterprises dependent on the railway service have generally admitted that they have been met reasonably and fairly by the officials of the railway company. At the same time the proposal to construct a second line of railway into the Yukon is interesting for a number of reasons,

chiefly, however, as marking the confidence felt in the Yukon Territory as a permanent and abiding centre of industry. Such a railway would involve a considerable economic waste. There is no reason why two lines of railway should be built where one suffices for the traffic. It would be economically simpler to double the rolling stock on the road-bed already in existence. This second railway, if built, will be an interesting experiment in the benefits of railway competition. Though the traffic is sufficiently lucrative to pay 30 per cent. per annum on one line of railway, it would not be sufficiently lucrative to pay 15 per cent. on two lines of railway with the same amount of capital invested. And, if through their competition their respective dividends are reduced to 10 per cent. it would not by any means follow that the country would get the benefit of the 10 per cent. of profit eliminated. That would probably be absorbed in increased working expenses. But even if some benefit did accrue to the public, it seems rather strange that to accomplish this very salutary object an unnecessary expenditure of some millions of dollars should require to be made, and the Yukon Territory burdened with the support of two railways when, so far as the tonnage of freight is concerned, one is ample.

Referring to the effect of new company law in England, a correspondent writes: "It will no longer be easy, if possible, to float companies on the old lines. The new idea is to pay vendors by results and not in cash. For example, I am informed of a big flotation where the vendors are receiving their consideration in what is described as 'Royalty shares.' The vendors take £1 royalty per ounce, and the promoters ten shillings—in all £1.10 per oz. In spite of the bad times it is expected that the issue will be a success and that the public will come in and subscribe the whole working capital asked. They will naturally argue that this sort of flotation can be no 'wild cat,' and as no promoting money is paid and the vendors take their profits in royalties, both vendors and promoters must have confidence in the value of the property. As a matter of fact this new scheme is by no means a bad one for the vendors and promoters. They form this royalty into Royalty shares of one shilling each and get a quotation on the Stock Exchange and there will be dealings in them long before the property is on a producing basis." The same correspondent remarking on the prospects of interesting British capital in Western Canadian mining continues: "The idea (above outlined) is a new one, at least to the British public, and will, I think, prove popular and to the advantage both of shareholders, promoters and vendors. The difficulty, of course, is to get vendors to accept the terms. In B. C., I understand, everyone wants cash, and if I mistake not this is what they will find very difficult to get out of the British public in the future. But as I pointed out, under the system (or trick if you like to call it so) of Royalty shares quot-