

to-day that indubitably have a hard struggle to pay expenses with silver above 50 cents; they would be disabled if the cost of materials and transportation should increase. The latter item—transportation—may hardly be expected to remain stationary when the units entering into the expense of railroad operation and maintenance move higher.

IV.

Right here becomes apparent the advantageous position occupied by the silver mines of the Dominion. Proximity to the ports of export is supplemented by the cheapness of mining, due to the character and the richness of the ore. I do not suppose that any one would challenge the claims of Cobalt for economy of production. In his statistical review in the mining report for 1908, Mr. Thomas W. Gibson, the well-known and widely-esteemed Deputy Minister of Mines of Canada, says: "The prosperity of the Cobalt mining camp, * * * much less its existence, does not depend upon a high price for silver. The ores of Cobalt are so much richer than the average that many of the mines would continue to produce silver even in the face of a still further lowering of its value." According to the best authorities available, the average actual cost of producing silver by all of the Cobalt shipping mines does not reach 10 cents an ounce. The Tenniskaming mine is said to be producing the metal at 6 cents an ounce; Crown Reserve costs are given as 7½ cents, and Kerr Lake's as 7 cents. It is understood, however, that these mines pursue the policy of charging all development work up to the average cost of silver bullion shipped. For instance, Kerr Lake is said to be adding between two and three tons to its ore reserves for every ton taken out. The actual costs of some of the mines run as high as 15 cents, but it seems safe to say that the average cost of every ounce of silver shipped from Cobalt does not exceed the estimate given above—10 cents. On such a basis it is obvious that, with an average price for the metal, year in and year out, obtainable at 50 cents or better an ounce, the good mines of Cobalt are assured of large and steady profits.

The low costs of Cobalt, of course, have vital relation to the permanency of dividends, which is so important an element in influencing investment. The Canadian Bureau of Mines gives the payment of dividends and bonuses to shareholders in Cobalt companies up to Dec. 31, 1907, at \$3,847,344. Of this amount \$1,954,450 was paid in 1906 and \$1,892,894 in 1907. These sums are outside of the returns made to the owners of some very close corporations or the profits realized by the owners of the O'Brien mine, which, the Bureau says, would bring the whole amount up to about \$5,000,000. The complete returns for 1908 are not yet available, but competent authority estimates the total payments at \$3,000,000, and the returns to shareholders for the current year will probably aggregate not far from \$4,000,000.