drawn. At present the "assessment work" required by the Provincial Government before giving a title to a claim is in many cases thrown away. The owners dig a few holes every year, the object being to comply with the law rather than to develop the mine. They expect returns, not from the development work, but from the sale of the claim to some one with capital. With co-operation there would be less waste labour, and, although working miners would lose the remote chance of a fortune through a successful find, they would have a better chance of participating in the large profits of a paying mine. The writer shows the advantages of co-operative work by the census returns dealing with the Mormon colony in Utah. An average population of 112,000 has in forty years spent $542,000,000 on improvements. They own ninety-five per cent. of the land on which they live, and are absolutely free from debt. During the past forty years they have realized $500 annually for each working member of the colony, in addition to the cost of family maintenance. The advantages of co-operation do not need proof. Its adoption must minimize the waste in any enterprise. But it will not make amends for mismanagement or a lack of business ability. Of all lines of productive work, mining, with its inevitable uncertainties, seems to present the greatest obstacles to the successful application of the principle. If it can be adopted and carried to a successful issue it will mean the inauguration of a new era in mining development.

The foregoing is a very fair presentment of the difficulties which are supposed to be in the way of inaugurating a system of co-operative mining, and it displays as well an honest appreciation of the advantages to the community on the assumption that it could be brought about. I cannot, therefore, find serious fault with the temper of the remarks as a whole.

The editor of the *Globe*, however, is no doubt influenced by an aspect of mining with which eastern people are familiar, and that is the element of speculation, which is most prominent in the minds of those farthest removed from the actual mining operations. A perusal of mining company prospectuses, and the familiar appearance of six and seven figures in which the capitalization is represented, naturally leads to the impression that great sums of money are necessary to the development and operation of mines in every case; and that, moreover, working miners are averse through business unfitness and inclination to co-operate on the lines suggested in my two previous articles in the *Mining Record*.

Both ideas are, to a large extent, erroneous. When in the great majority of cases non-assessable treasury stock, which is reserved for development, is sold at from five to ten cents per share it is easy to estimate how very little after all goes to actual mining operations and that little largely to supply labour. From one-half to nine-tenths of the stock is solely a speculative margin and does not represent actual capital at all. I mean capital invested in the mine itself, to pay a dividend upon which its resources are unduly taxed.

One million dollars is a very large capitalization for any mine to start with. One-tenth of that, which is all that is supposed to be paid in it in the ordinary way of financing companies, gives $100,000, which, if it be all that is required to develop and operate the mine, is the real capital. Now, a profit that would pay a dividend of ten per cent. on the nominal capital of $1,000,000 would give a dividend on the real capital, $100,000, of one hundred per cent. There is nothing which could show more plainly the *business*, not to speak of the sentimental reasons for operating mines on an honest, unwatered, dollar-for-dollar basis, or the splendid returns there would be to labour in the co-operative form.

Again, the *Globe* is mistaken as to the attitude of the mining community. If he will go into the Slocan district, in particular, he will find the sentiment of the miners opposed, and decidedly so, to the importation of foreign capital, and, clearly and unmistakably in favour of doing the work themselves. They will tell him to his face that they can get along with greater advantage to the individual miner and to the community without it. The fact is incontrovertible that the biggest and best paying mine in British Columbia paid for itself from the start, and there are a number of other mines working on the same lines in that district. He will find, too, that the miners are about as clear-headed and business-like a lot of men as he ever met. It is a mistake to underrate either their intelligence or their capacity.

Of course the conditions in the Slocan are more favourable to development than in Trail, but it is a question rather of degree than otherwise. Investigation will show that the demand for capital comes not so much from the miners as from those who are not miners. The danger to be feared is not in frightening away capital, but in causing such an inflow as to (first) demoralize industry by creating an unhealthy inflation, and (second) to place the control of the industry in the hands of outside capitalists by which the profits of the industry go out of the country in the form of dividends and interest.

The *Globe*, as will be observed, sees another difficulty, which is more sentimental than real, and that is in the risk involved to labouring men in putting up their labour, which is their all, for a term of months or a year on the prospects of mines. A familiarity with the ways of mining life would dispel fears as to risks and uncertainty in a mining camp as both groundless and unnecessary. Working miners earn little more than a livelihood in any case, and out of the thousands of prospectors who spend years of their life in the riskiest and most uncertain, and an extremely toilsome pursuit of wealth, about one out of fifty makes a "strike." The chances for co-operation on the basis I have suggested are about ten to one in favour of success as compared with the traditional ways of mining as at present followed.

It will be readily admitted, as intimated by the *Globe*, that "a process of education" is required, but if half the effort and money had been spent by the press, private individuals, corporate institutions and governments in educating the miner and labourer to the advantages of co-operation that is spent in educating and inducing the capitalist to invest, it would have been possible long ago. We have been years in British Columbia endeavouring to bring about by strenuous appeals to moneyed