

the mine when operated or sold would render the development of other claims on a similar plan possible and still more profitable. The principle involved is simply putting so much cash against so much labour for which stock in each instance is issued at par for its face value. That is business, not a "gamble." "Grub-staking" a prospector is a doubtful investment always. He, even if honest, may find nothing; he may be incapable, because injured or be lost. If dishonest, you are at his mercy to cheat you in half a dozen different ways, without detection. In the case of the working miner developing the mine by honesty and industry alone can he turn his labour into account. With you he is interested in achieving the best results.

And, talking of capitalization of mining companies, the capital should be no more than what is actually invested and what is necessary to work it. A bank note for a dollar should represent a real dollar, no more or less, in gold or silver, and that dollar should possess as nearly as possible a dollar's worth of gold or silver as the case may be. That is the meaning of "sound money," or rather should be the meaning in politics. In other words, it should represent the measure of labour necessary to produce a dollar's value. All forms of capitalization, whether in bank notes, or in company's stock, should be based on this "sound money" basis. By the co-operative method of mining, stocks would be nothing more or less than the certificate of so much labour performed. The market value would depend upon the profits accruing from that labour.

I have referred to the merchant as one class of capitalist who should consider the advantages of the co-operative plan, over the present hap-hazard ventures which tempt him and by which experience has shown that nine-tenths of such investments are lost. Similar remarks, however, apply to the many men of private means, who are "dabbling" in mines and whose experience in the past has not been more encouraging.

Then there is the regular mining syndicate formed to explore, develop, buy, operate, etc. If, instead of endeavouring as they do, which of course, is both legitimate and proper, to acquire rights out and out, secure consolidations, etc., etc., and by which methods they secure the appellation of monopolists, as well as the enmity of labour organizations who regard such methods as "hogging" it, they were to work with the miners, they supplying the "sinews of war" and the latter the labour a different state of affairs would be brought about in the industrial world and I believe in the long run their profits would not be less, and certainly their relations with the labouring element would be more satisfactory. Or if it is not possible to direct present capitalistic organizations, formed as they are, into this channel of operations, it is at least practicable and possible to organize capital for the purpose of co-operating with miners on the lines suggested for the merchants. In view of the social and industrial benefits to accrue from the working people of this country sharing in the profits of mining, which is the greatest of our resources, and keeping our wealth so far as possible at home, it is well worth the experiment.

The Toronto Globe on Co-operative Mining.

CO-OPERATIVE commercial and industrial concerns have not achieved the wide measure of success in the western continent that has marked their operations in Britain. The workers in the West are lacking in the necessary cohesion, a condition which may be due in a measure to the greater opportunities for individual advancement and advantageous changes of occupation. Co-operation, like trade combination, seems to require a process of education through several generations before the necessary confidence and perseverance can be secured. A writer in the *British Columbia Mining Record* makes a strong plea for co-operative work in the development of the newly-discovered gold districts, urging on public grounds the advantages of working on local rather than borrowed capital. With regard to the feeling of a community of interests, essential to any system of co-operation, perhaps it would be less in evidence in a mining town than anywhere else in the industrial world. With every man a prospective millionaire, cherishing the hope of a rich strike in the immediate future, there is a universal aversion toward letting anyone else in "on the ground floor." But no doubt if the chances of success were seen to lie in the direction of co-operation the pronounced individualism of the business could be overcome. The need of capital is, of course, determined by the amount of work necessary before actual self-sustaining returns can be secured. Many mining properties require the expenditure of, say, \$30,000 or \$40,000 before returns from the work need be expected. That would represent about one year's labour by thirty or forty men. It would be a matter of extreme difficulty to find thirty or forty working miners having sufficient mutual confidence and business capacity to engage in co-operative mining and sufficient money to maintain themselves one year without available returns from their work. If such a combination could be secured it would mean co-operation in the capital as well as the labour of the workingmen. The difficulty would be increased by the possibility, inseparable from all mining undertakings, of the absolute loss of all the capital or labour expended. When investors expend \$30,000 or \$40,000 developing a mine they run a chance of losing it, and a combination of workingmen must run the same risk with their labour and capital. The function of capital in production is to make the products of the labourer immediately available for his ordinary use. Capital is in consequence essential in mining in proportion to the amount of work necessary before actual returns are obtained. The writer in the *Mining Record* says that there are many properties in British Columbia where from ten to fifty men without other capital than their labour might have owned mines and made them pay from the start. From such conditions there must be room for many gradations to mines like the Anaconda, requiring a million dollars and miles of tunnelling and shafting to profitably exploit. It is suggested that where capital is required slightly in excess of that possessed by the co-operative workers a small amount of stock could be sold in the usual way, while the workmen would become shareholders in proportion to the worth of the labour contributed above the wages.