

# NICKEL INDUSTRY TAX IN UNCERTAIN POSITION

## Government Expects Revision Following Inquiry

### NO FIVE-YEAR AGREEMENT

**Mr. J. C. Elliott Urges That the Amount be Increased Considerably —Subject Debated at Some Length in the Legislature.**

The plausible statement of the Hon. G. Howard Ferguson, Minister of Lands, Forests and Mines, to the effect that the tax of \$40,000 per annum imposed on the Canadian Copper Company's nickel ore output was according to a five-year agreement, was erposed by Mr. N. W. Rowell, Opposition leader, towards the conclusion of the debate in the Legislature yesterday. The Minister on Thursday had offered the explanation that \$40,000 was a flat rate agreed upon for a period of five years, expiring this summer.

It transpired yesterday from Mr. Rowell's questioning of the Prime Minister that there was no provision in the act which authorized the Government to make a five-year agreement with the Canadian Copper Co. for an annual tax of \$40,000. Premier Hearst, in reply to Mr. Rowell, admitted that there was no provision in the act for a five-year agreement, and that there was no agreement with the company in writing, although there was a general understanding that unless something developed to show a marked difference the \$40,000 rate would prevail for five years instead of an assessment on a percentage basis.

#### No Authority For Agreement.

Mr. J. C. Elliott (West Middlesex) said if he read the act correctly there was no authority for the Minister or any official of the Government entering into an agreement such as had been reported by the Minister of Lands, Forests and Mines. The House, he declared, was the only authority, and no power was vested in the Government to say that instead of an assessment on a three per cent. basis there should be a \$40,000 rate. Quoting from a Government report, Mr. Elliott showed that the value of the output of nickel in matte had increased from \$5,109,088 in 1914 to \$17,019,500 in 1915, which he considered "a material change." For the future it seemed that they should endeavor as far as possible to make up for what had been lost by not charging sufficient in the past.

#### Avoid Heavy Taxation.

Hon. Mr. Ferguson stated that it had been the policy of the Government not to tax mining concerns too heavily, as heavy taxation might discourage investors who were contemplating putting their money into Ontario mining enterprises. They had recently appointed a Nickel Commis-