

LIBERALS DEMAND HIGHER NICKEL TAX

Contend Provisions of Government's Bill Not Strong Enough — Mr. Rowell's Constructive Suggestions

The Liberals in the Legislature yesterday demanded higher taxation of the nickel interests than the Government's bill called for. Mr. Rowell, in a speech full of sound criticism, maintained that there should be a tax of 5 per cent. on annual net profits up to \$5,000,000; 10 per cent. between that and \$10,000,000; 15 per cent. between that and \$15,000,000; and at least 20 per cent. over \$15,000,000. The gold mines in the Transvaal, he pointed out, paid taxes at that rate right along. The Liberal leader also advocated that every ounce of nickel mined in this Province should be refined in Ontario or at least in the British Empire, and the Government should commence to get hold of the nickel industry by acquiring and controlling a refining plant.

Premier Hearst thought the report of the Nickel Commission was sufficient answer to the Opposition Leader's criticism. Five per cent. was the tax which had been recommended, and the Government had gone farther.

Mr. Hartley Dewart (Southwest Toronto) contended that for the period 1912-17 the International Nickel Company should pay \$3,012,000. He considered that would rather suit the fancy of the people than the Government's bill, which was a pitiable piece of legislation.

Shortly after midnight the Government's nickel bill was given second reading without division.

Taxing Mining Industry.

In moving the second reading of his bill to amend the mining tax act, Hon. G. Howard Ferguson said the day was when it was thought the mines and the natural resources of the country should in no way be taxed or levied upon to contribute towards the Provincial revenue. Even the mining industry to-day recognized that it should properly bear its share of taxation. The Minister then gave some interesting figures regarding gold and silver production. In 1900 the gold production was worth \$297,861 and in 1916 the figure was about \$10,000,000. Ontario in 1916 produced more than half the total gold output of the whole Dominion. As to the silver mines, in 1900 the figures were \$96,000; in 1905 about \$1,250,000; in 1910 over \$15,000,000; in 1916 about \$12,600,000. This was equal to three-fourths of the mining production of the Dominion. The nickel production, as was known, was confined entirely to the Province of Ontario so far as Canada was concerned. Perhaps the outstanding reason for the rapid development in the mining industry was that Ontario's taxation had been equitable and stable.

Should Not Burden Mining.

"Everyone agrees," said Mr. Ferguson, "that the mining industry should contribute something to the revenues of the Province and that it should contribute substantially, so long as we do not retard or burden the mine itself so as to discourage capital. It is said that the average life of a mine is from eight to ten years. A man who purposes investing in a mine must expect to get the whole of his capital back and a substantial return on the investment and risk. It was equally important that the rate of taxation must be stable. About 95 per cent. of the capital invested in Ontario mines comes from outside