

International Nickel Company is not disclosing its whole profits.

Proposes Larger Tax.

"My suggestion would be that on net profits between \$10,000 and \$5,000,000 the tax should be five per cent.; on profits over \$5,000,000 and under \$10,000,000, ten per cent.; on profits over \$10,000,000 and under \$15,000,000, fifteen per cent., and on profits above \$15,000,000 a year the annual tax should be at least twenty per cent. That would make the taxation at least five times greater than the taxation proposed by the Minister of Lands, Forests and Mines. The gold mines of the Transvaal pay taxes at these rates right along."

Should Buy the Plant.

Mr. Rowell continuing said: "The Government should commence to acquire control of the nickel industries of the Province by acquiring and controlling a refining plant. We should pursue steadily the policy suggested more than 25 years ago in this Province by the late Sir Oliver Mowat, that is, interesting the Imperial Government directly in the ownership of the industry in this Province. We should steadily work toward a position of ownership and control of the nickel industries in this Province. Suppose it cost \$100,000,000, as the Nickel Commission suggest, and the Imperial Government was interested, that is less than it costs the Imperial Government to carry on the war for four days."

Premier Hearst Defends New Rate of Taxation

Premier Hearst, who followed, said that the Nickel Commission after practically two years' consideration and investigation of this question, and after obtaining private information which could not be made public just now, expressed the opinion that five per cent. was the outside taxation which the Government should impose on the nickel companies at the present time. The Government had gone farther than the Nickel Commission recommended, and the legislation now before the House provided for higher taxation than five per cent. when the net profits exceeded \$5,000,000 a year. He thought the report of the Nickel Commission a sufficient answer to the criticisms of the Opposition leader. The Imperial Government had gone into the question, and they had secured a controlling interest in one of the big nickel mining companies in the Province and that company was now establishing its plant. Should the Imperial Government wish to increase its interest in the nickel industry the Ontario Government would fully co-operate with them. "We are anxious that all nickel mined in the Province should be refined in the Province or in the Empire," said the Premier. Sir William claimed that the Mond Nickel Company had not yet got back half the amount of capital invested. Referring to the five-year agreement of the International Nickel Company, which he made when he was Minister of Lands, Forests and Mines, he said it was not absolute or binding. The company, for instance, would not have paid the \$40,000 tax if they had closed down the mines.

Government After the Taxes.

The Province had got \$160,000 in taxes in four years when it was only entitled to \$151,944, and the mine assessors still say the Province did not lose one five-cent piece under the agreement made. A big problem was to determine the value of the ore at the pits' mouth, and what the Government was determined to do was to find a system of determining that value with a view to seeing that the Province was taxing every dollar that it was entitled to tax. The Government had no object but to secure every dollar the Province was entitled to.

Prizes Are Few.

Much money had been expended in mining ventures in New Ontario, but the prizes secured were still comparatively few. Some people had been lucky to make millions, while others have spent their lifetime and made nothing. There must be prizes for a few or they could not get the industry developed. Also the Imperial Government must continue friendly with the United States. He hoped to hear in a few hours that that great country would be an ally of ours.

People Want More Revenue.

Mr. Sam. Carter (South Wellington) said there had been quite a little change in the tune of the Government during the last two years. "Two years ago, when we urged the Government to do what they are now doing the members of the Government shouted 'rats.'" He suggested that the report of the Nickel Commission had been influenced by the Government's opinions. A referendum would show that the people were in favor of putting a twenty-five per cent. tax on the net profits of nickel corporations when their profits exceeded \$20,000,000.

Continuing at the evening session Mr. Carter maintained that the department should not have allowed the nickel interests "to put it over" all these years. "The legislation at the present time is just nibbling at the thing in the worst possible kind of way," he added.

Condemns Public Ownership.

Mr. Musgrove (North Huron) contended that much was due to private enterprise for what had been accomplished in this country. More money was wasted in a system of municipal government than any other sphere of activity in the Province. Public ownership might be all right so far as public utilities were concerned, but not for mining.

Mr. William Proudfoot (Centre Huron) did not think the Government was fixing a high enough duty. He thought the succession duty was a fair indication of the manner in which the Government should fix the tax.

Mr. C. R. McKeown (Dufferin) described Mr. Sam Carter's "radical" expropriation ideas as "wrong, irreligious, and a crime." He did not think that would be the policy of the party "so ably led by the leader of the Opposition."

Mr. Dewart's Hot Criticism.

Mr. H. Hartley Dewart (Southwest Toronto) described the bill as pitiable, and thought that there had been time for an amended measure. He calculated that taking the principle of taxation of the Mining Commission and applying it to the Hearst-Nesbitt agreement, with the income of the International Nickel Company for the years 1912-15 as \$4,866,412, \$6,386,799, \$6,128,975 and \$6,713,387 respectively a three per cent. basis would give \$722,867 tax. Deducting from this four years' payment of \$4,000 each he showed that \$562,867 remained, so to speak, uncollected. He also urged that if the income for 1916-7 were placed on the proposed five, ten, fifteen and twenty per cent. basis for each five millions annual income the totals for the two years could be set at \$2,450,000, besides the amount due in the period 1912-15, making a grand total of a round three million dollars. He thought that figure would be much more to the liking of the people. Mr. Dewart further argued that gold should be taxed on the same basis as nickel, and he showed that gold had decreased in purchasing power fifty per cent. since war broke out.

Mr. McCrea's Disclaimer.

Mr. Charles McCrea (Sudbury) denied that he had any connection, directly or indirectly, with the International Nickel Company. He claimed the Commission's report had effectively disposed of the German scare. Large profits from nickel were due solely to the war. The Government's proposed taxation was fair, he contended.