

ROCKS AHEAD FOR TOWNSITE

Cochrane Member Strongly
Opposes Premier's Kapuskasing Measure

THAT BACKUS DEAL AGAIN

Problems of Kapuskasing again stirred the Legislature yesterday when the House-in-Committee spent almost the entire afternoon on Premier Drury's bill to incorporate the new town in that northern colony.

After lengthy discussion, the bill finally was reported on, in spite of repeated warnings by Malcolm Lang, Liberal member for Cochrane, that the measure would almost certainly involve the town of Kapuskasing in serious difficulties at some time in the future. One or two minor amendments were recorded.

In Difficult Position.

Mr. Lang expressed regret that, under the bill, the mill site and property of the Spruce Falls Pulp & Paper Company would not be included in the townsite. Anything, he said, would be better than the bill in its present form. To the Premier's assurance that application might be made at any time by the town to incorporate the mill site, Mr. Lang protested that he saw many reasons why such application might not be made. The citizens of Kapuskasing would be employees, and in a peculiar position. He suggested taking in the company's property, on the basis of a fixed assessment on pulp and sulphide mills.

Premier Drury stated he had asked the company to do a great deal in respect of development, and it would not be fair, in his opinion, to go further. Regarding taxation, though, the company's plant was not in the townsite; it was in the township, and might be very valuable later on in assessing for roadways.

More Than Bargained For.

Urging that his bill be reported, Hon. Mr. Drury claimed development work had to be gone on with, despite the translation of the personnel of the colony, in order to prevent total loss of investment. In this respect, conditions regarding waterpower development had been made easier.

"Unlike some bargains with which my honorable friend from Grenville has had to do, we are getting more than we bargained for," he declared, "and the Province will not lose one cent."

Hon. Mr. Ferguson—What does the Prime Minister mean by bargains? Does he mean the Backus deal?

Premier Drury—Oh, no! You had nothing to do with that.

Hon. Mr. Ferguson—No, but I will have.

Premier Drury—We'll be very glad if you will (warmly). We'll be very glad. (Applause.)

The colony now, the Premier went on, was happy and contented, and meeting a fair market for its pulpwood. Regarding fire menace, he hoped to see full provisions made in respect of fire hazard.

TILLERS UNABLE TO BEAR TAXES

Drury Squelches Such an
Alternative to Relieve
Mines

RAP AT BIGGS' AUTOS

"Why tax the production of the necessary precious metals?" demanded H. H. Dewart, Liberal Leader, speaking in vigorous opposition in the Ontario Legislature last night to Hon. Harry Mills' mining taxation proposals. "There are the agricultural lands in which my honorable friends opposite are particularly interested. Why does not the Government look to a realization of taxation from them rather than from the development of the actual resources of gold and silver in the North country?"

When Premier Drury ventured the opinion that the farmers felt unable to pay such a proposed tax, Mr. Dewart hotly retorted that farmers opposite looked at the moment entirely unconcerned about any taxation. "Some of my honorable friends," he added, "are indulging in pretty comfortable quarters at the public expense."

'Twas Ever Thus.

Hon. Mr. Biggs—The same as our predecessors.

Mr. Dewart—I do not care about your predecessors. You are the men who were going to reform this Province, and there is no greater waster in the Government than the Minister who speaks. They say that the Government automobiles are so numerous as to clutter up the park, and that the honorable Ministers almost require one to take them from the west door of the Parliament Buildings to the east side.

Hon. Harry Mills stated that Canadian mining taxation, in general, was the fairest and most just of any he had knowledge of, and claimed that the proposed increases would not adversely affect the mining industry in this Province.

"Ontario is the only spot in the world that increased its production of gold during the past year," declared Hon. Mr. Mills.

"How many silver mines are producing in Ontario to-day?" asked Hon. Howard Ferguson.

"There are six, anyway," replied Hon. Mr. Mills.

Stocks Are Appreciating.

In proof of his contention that proposed increases in taxation had not resulted in a depreciation of mine-stock values, Hon. Mr. Mills quoted figures showing the appreciated values of representative gold and silver stocks on the Toronto market since the date on which the notice of the intended legislation was made in the Press.

"I don't believe you are going to get from the mines of the North country the revenue you got last year, even with this additional source," declared Chas. McCrea of Sudbury.

The proposed increases were, if anything, too small in the opinion of Hon. Walter Rollo. The only way to keep some of the mining profits in the country, he said, was to put a tax on it.

"It is extraordinary that a bill such as this, relating to finances of the Province, was not introduced by the Provincial Treasurer," said H. H. Dewart, K.C., who took the ground that certain industries should not be singled out for taxation. "This House is entitled to a show-down in so far as the finances of this Province are concerned," stated the Liberal Leader, amid applause.

Premier Drury moved the adjournment of the debate just before midnight.