

## KODAK OUT-OF-DOORS

Country walks are delightful. Never lonely, if you make your camera your companion. Every day out-door camera time gets nearer, the time of beautiful scenery, of bathing, boating, picnicking. Get ready! If you haven't a camera, get one quick!

The Kodak Store supplies all you need—you can get everything photographic there from a camera to the finished print.

## TOOTON'S,

The Kodak Store, 309 Water Street.  
PHONE 131.

## The Bell Island Ore Tax Agreement.

### A Bad Bargain For Newfoundland.

Editor Evening Telegram

Dear Sir.—My criticisms of the Ore Contract are finished for the time being. I now turn to certain constructive suggestions. If I were negotiating the contract, I would start with certain fundamental principles; for instance, I would consider the works at Sydney part and parcel as it were of the mines at Bell Island; at the latter the raw material is produced; at the former it undergoes the process for turning it into a more finished class of raw material. The great value of the mines to this country is found in the labour they give. The labour given at Sydney is scarcely less valuable to this Colony. As my first principle, I would lay this down, that we are vitally interested in the success of the works at Sydney, and that we should aid in their operation, extension and profitable continuance. I would, therefore, put a lower rate of export duty on ore going to Sydney than on ore going anywhere else.

#### TAXATION AS A LEVER.

As my second principle, I would lay down the proposition that the Colony is more interested in the amount of labour which can be obtained at Bell Island and at Sydney for the people of this Colony than it is in the amount of revenue which can be received for the treasury; and, therefore, I would use the power to impose taxation as a lever to increase the amount of labour given to our people. I would say to the Companies—"the more Newfoundlanders you employ the lower shall be the rate of taxation we impose; if you employ 50 many thousands, your duty shall be 25 cents per ton, for instance, but if you employ more thousands, the taxation shall be 20 cents per ton, for instance, and so on, reducing the rate per ton according to the increased number of men given employment."

#### SMELTING DONE IN COLONY.

As my third principle, I would lay down the desire of this Colony to have the smelting of the ore done, if possible, within the Colony rather than without. That is to say, I should try to bring the smelting as a labour giving operation into the Colony instead of maintaining it at Sydney. I do not know to what extent this can be done, but I should try to find out, and I should provide certain limited electric power, for instance, and use my power of taxation, for the purpose of inducing the establishment of smelting works in the Colony. I would, for instance, enter into a contract with the Companies for a five year period only, at fixed rates of taxation, but I would promise and provide that the five years should be extended to ten, if at the end of five years certain smelting works had been provided; and I would further provide in this connection, that at the end of five years the export duty should be doubled. It seems to me that to allow ore to be taken to any part of the world in which Newfoundlanders are not directly employed is an absolutely prodigious waste of the resources of the Colony; and I would lay down that within a measurable number of years there should practically be a prohibitive duty upon all export of ore except to Sydney, with preference to home smelting, even as against Sydney.

#### A QUID PRO QUO.

As a fourth principle, I would seek to establish this doctrine, that to the extent to which this Colony actually needs it, the coal of Cape Breton is as much essentially a part of this Colony as the ore of Bell Island. Coal and iron ore are equally needed for the operation of the Steel works at Sydney. Cape Breton needs our ore; we need her coal; neither of us can very well do without the raw material

smelting works were established, but the export duty should be increased. I am not trying to make a contract, but only suggesting certain principles which I think a contract should embody. It seems to me that along these lines a bargain ought to be made to the advantage of all concerned. I would treat the Companies most generously, recognizing their interest as joint with ours, but not with the prodigality and criminal carelessness which is shown in the existing contract.

Yours truly,

ALFRED B. MORINE.  
May 10, 1921.

### The Bell Island Tax Agreement.

#### ANOTHER VIEW.

Editor Evening Telegram.

Dear Sir.—Please permit me to use your columns to make some comment regarding the Ore Tax Legislation now before the House. Recent issues of your paper and other local papers have contained several letters from Mr. A. B. Morine, and also some editorial and other comment regarding this very important matter. I claim no knowledge of the legal merits of this legislation. That is a matter for legal men to pass judgment on. Mr. Morine's letters, however, and other comments published to date, appear to disclose a "lack of knowledge" of the fundamental elements regarding the nature of Iron Ore and the marketing of same, and the industrial merits of this case.

#### LOW GRADE ORE.

Bell Island ore is not high grade, and easily marketable as is generally understood. On the contrary it is low grade, and generally hard to market. It does not follow, because we have iron ore, the steel producers of the world are clamouring for it, any more than because we have fish, it is marketable everywhere. The term Iron Ore is very indefinite and covers many grades in the metallurgical sense, and the steel industry of the various countries, have adapted themselves to certain grades of reasonably consistent analysis. Bell Island Ore is classed as low or medium grade Non-Bessemer.

Great Britain uses principally high-grade Bessemer Ore, and her furnaces, coles, limestone, and fluxes have been adapted to them. Heretofore it has been almost impossible to market Bell Island Ore in Great Britain, unless at a very low price, which would warrant changes in smelting processes. United States uses Non-Bessemer, as well as Bessemer Ore, and offers a limited market for Bell Island Ore for mixing purposes, provided the price is low enough. In pre-war days the Bell Island Companies found a market for Ore in Germany, because the German steel industry was built up chiefly on Lorraine lower grade Non-Bessemer Ore, and therefore the Bell Island Ore suited German steel producers, and they could offer a "paying price" for it. If a man has a product to sell, he seeks a market where his product is saleable, just as we go to the Mediterranean and South America to sell our salt cod. We would be certainly courageous and enterprising, to throw over these markets, and endeavour to build up a demand for Salt Cod in Great Britain or United States, where the people's tastes look for something else.

#### SHOULD BE PATRIOTIC.

The question of resumption of trade with Germany is a much debated one these days, and it is a moot question whether real patriotism has any bearing on the matter or not, but as \$25,000,000.00 of English capital is ready for investment in the Empire Steel Corporation, and as the sale of Ore in the world's markets is the objective of said Corporation, it appears somewhat out of place for us to criticize this objective, or do anything to hamper it on the grounds of patriotism. Bell Island will become important to Newfoundland, not as a supplier of Ore, for the Sydney furnaces, but as a supplier of Ore, for the British Empire and the world. Relatively, Sydney is a very small and

almost negligible consumer, but the world's consumption is a question of our ability to produce. Hence, in as much as Bell Island Ore is low-grade and Non-Bessemer, and by itself unattractive to British and American producers, we must make the price of our Ore what we can get for it. We prefer these customers to Germany. There is also the question of expensive water carriage. Philadelphia, Rotterdam and Liverpool are from 1500 to 2500 miles distant, whilst Sydney is 400, and the per ton cost on time charter, figures out very high. We must remember that every \$1.00 per ton on Bell Island Ore, means about \$2.50 per ton on Pig Iron, as it takes over two tons of Ore to make a ton of Iron. It might be worth while to introduce provisions to encourage the carrying of ore and coal in Newfoundland bottoms. The Smelting Plant will consume 400,000 tons of coal per annum, and it looks as if the tonnage proposition in connection with this trade will be a huge one.

#### THE NEW AND THE OLD TAX.

The real question seems to be, whether the new tax (25c. per ton) on one million tons to Canada, is preferable to the old tax (7½c. flat on all Ore). In one case there is a reasonable certainty of half a million tons per annum to Sydney, as the plant there is not likely to close up, and has been designed—in respect of furnaces, coles, limestone, etc.—to handle Bell Island Ore. In the other case, there is the uncertainty of a five or ten million ton output to the world's markets, which is competitive and has to be developed. The establishment of a Smelting Plant on Bell Island, handling 100,000 tons of steel, 200,000 tons of ore per annum, will be immediately more beneficial to Newfoundland than anything else, although of doubtful value as an investment. Therefore, it will pay Newfoundland to make a bid for the establishment of this plant. Further the expenditure of \$3,000,000.00 will not be a serious question for the Steel Co. if the next five years demonstrates a demand of five or ten million tons of Bell Island Ore, as they will readily pay \$3,000,000.00 on Capital Account in five years to save six million dollars in profits in twenty years, with only an average output of 500,000 tons. The Companies are experts in their own business, and are prepared to take their chances, but does it warrant us, who are not experts, to deal with anything but reasonable certainties, so long as we don't give too much away. The tax of 25c. per ton is reasonably high, as a tax on a low priced commodity, such as Iron Ore whose F.O.B. price has been down heretofore in the neighbourhood of a dollar.

#### ESSENCE OF AGREEMENT.

In essence, therefore, the Agreement, in part, seems to be: 25c. per ton on 1,000,000 tons to Canada, and free, conditional, export to other countries. This means that the Canadian consumer will pay us 25c. per ton, because the finished Sydney products will find their principal market in Canada, and we will bid for a good share of the world's Iron Ore consumption, by being able to offer same at a low figure. One point, however, does not seem clear. The Canadian consumption may become very small, and the outside consumption large, in which case the first million tons should be taxable at 25c. Permit me to suggest further, several very important points from the standpoint of the engineer, which require special and more specific attention:—

(1) Since our principal source of revenue is through indirect taxation mainly on foodstuffs and clothing, the free entry of all material for construction and operation of Smelting Plant is too elastic, and much more than any corporation expects. The primary object sought, is free entry of all expensive and initial plant and machinery, but not the innumerable odds and ends which follow; also free entry of essential raw material for operation, but not the innumerable odds and ends and every day requirements of such a Plant.

### He Wasn't Long in Being Convinced, Says Quebec Man

Arcand Changed His Mind  
About Tanlac After Taking It  
And Declares "I Feel Fine."

"I didn't believe Tanlac would do what people were saying it would, but I changed my mind before I finished my first bottle," said R. Arcand, St. Poye Road, Quebec, recently. "I had indigestion so bad that it was a common thing for me to miss whole meals for I would rather not eat than suffer. My stomach seemed to stay sour and upset all the time and I had pains and cramps that were something fierce. I felt nauseated all the time and was all run-down, weak and played out. My liver was sluggish and my nerves were all undone, and I was bothered a lot with headaches and dizzy spells. I couldn't sleep to do any good and I never felt equal to my work."

"Well, I saw a chance for the better before I finished my first bottle of Tanlac. My appetite got a new start and the indigestion began to leave and I commenced to pick up in every way. And now I'm in as fine health as I ever want to be. I feel fine—that's the best way I can put it, and Tanlac did it all."

(2) As the Government Engineer is the authorized technical and expert adviser of the Government on such matters, he alone is qualified to define many of the provisions of this agreement, and after enactment, see that same are carried out. No provision is made for such supervision, except in the case of workmen's houses, a most trivial affair.

#### RECIPROCAL TRADE.

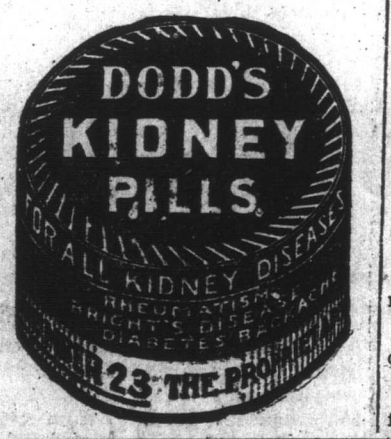
Coming to the question of coal, reciprocal trade concessions are perhaps more beneficial than monetary taxes, and our position as producer of the first essential warrants a coal supply at the minimum price obtainable. As "quantity" talks, Newfoundland should be considered as one big consumer, and within reasonable limits be able to purchase coal for local industry, railroads, steamers, and domestic requirements, at the minimum figure. It remains to be seen who has the "best of the bargain." In the main the intention of the agreement appears reasonable. There are big possibilities on both sides, but also uncertainties. My primary object in writing this letter is to try and correct some illusions, evident from newspaper controversy, and endeavor to give this legislation fair play.

Yours truly,

F. W. ANGEL.  
May 10, 1921.

### Fashions and Fads.

Capes are lined with brilliant foulard. Wide transparent sleeves are in vogue. Organdie frocks use the surplusage. The loosely paneled skirt is very popular. Heavy tassels appear on the very full capes. Colored buttons make plain frocks interesting. The Chinese influence is detected in blouses. Motifs worked in ribbon trim the linen costume. Many narrow skirts show a becoming hip yoke.



## Farmer's Fertilizers

Are Cheaper Than  
Last Year.

## HURRY UP YOUR CROPS WITH FERTILIZER.

When Potatoes were \$7.00 per barrel 10 barrels would bring you \$70.00. Now that Potatoes are \$3.50 you must sell 20 barrels to get \$70.00.

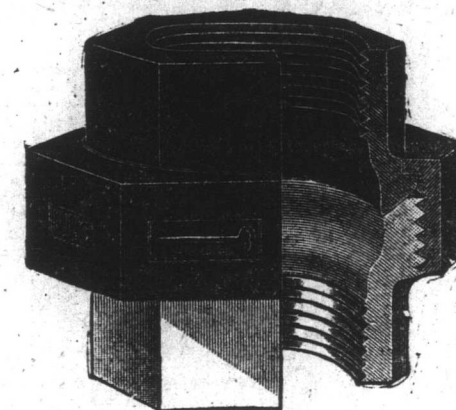
You can't afford to have a small crop.

USE FERTILIZER.

## COLIN CAMPBELL, Limited

may 9, m. w. f.

## STEAMFITTERS!



Insist on getting the genuine  
"KEWANEE UNION,"  
the only union that makes a perfect joint. Sold by  
**JOB'S STORES, Ltd.**

The newest sports hats are of a mushroom shape. Slender bangle bracelets are a whim of fashion. Very narrow tucks are featured by frocks of voile.

A dress of gray chiffon is embroidered in navy blue. Rose lace flounces trim a gown of rose crepe de chine. Eight inches from the ground is the new skirt length.

Lace and mousseline fichus are seen on lingerie blouses. Little turnover collars of white organdie are worn. Beaded shoulder-straps are appealing for evening wear.

### MUTT AND JEFF

### JEFF HAD HIS EYE ON THE FUTURE WHEN HE DESIGNED THE "SAP SIX".

—By Bud Fisher



### "Just"

"I HAVE been to try Nerve Food, and you say it is intended for women."

"Well, there is always undoubted good in it, which the writer told me about. I don't think I have blood in my system, as well as women. It is Dr. Chase's Nerve Food, which forms new, nourishes the nerves back to their vigor."

"Yes."

"Well, the doctor is your nerve, and is responsible for our nation and sleep. I don't try some of Dr. Nerve Food. I don't know what it did for me."

"I would like to see some men who used it."