

forward hesitate to invest in British Columbian securities if adequate compensation were withheld in this instance, and that the credit of the province would be seriously impaired in this market. It would be deplorable if, just when there is an ardent desire for closer unity and co-operation, the reproach of confiscation without compensation were incurred by any self-governing unit of the British Empire, especially if that unit were British Columbia, which has been, and will be again, largely dependent upon English capital for its development.

"The question of compensation is entirely apart from any consideration of the wisdom or folly of a total prohibition policy per se, though that has been fraught with serious consequences in American States which have gone dry. But it is certainly anomalous that, while the existing Bowser Act is treated thus early in its operation as a scrap of paper where licensed interests are concerned, the new act that dispossesses those interests still appears to permit the importation and sale of liquor through what may be called underground channels. The procedure, in short, savors of animus, and not solely of zeal for the public interests. Still, it is hard to believe that the extremists will be permitted to expunge \$2,500,000 of invested British capital without equivalent compensation. It is equally hard to believe that the people of British Columbia, if they understood the facts of the particular case, would be parties to such expropriation, or that the government, with, presumably, full knowledge of its shattering effect on the credit of the province, would sanction the injustice.

"Imagine what an outcry would arise if the position were reversed and British Columbia investors with a stake of over two million dollars in an English industrial undertaking found that our government had decided to eliminate the whole industry it had hitherto recognized and taxed, treating it as outside the moral law and entitled to no compensation? If the government and people of British Columbia consider the case from that point of view they must surely see the grievous wrong that would be inflicted on English investors in British Columbia Breweries if, in the event of the prohibition act coming into force, restitution of capital were withheld. They should also see that their own true interests involved the fair treatment of British investors."

Ontario's Policy.

There has been disregard for the rights of capital in Ontario also in connection with the provincial government's hydro-electric policy. While objection to public ownership and government operation is not urged here, capital which has been encouraged by governments to invest in this country should be accorded proper treatment. Whenever the Ontario government discovers that invested capital stands in the light of its high ambitions, the legislature passes an act to remove the shadow. Capital may be willing to accept public ownership as a competitor but it has a right to expect that legislatures will not use as a bludgeon the powers which the people give them. The Electrical Development Company has been refused a fiat permitting the company the right to sue in the courts for a declaration that the erection of a power plant at Niagara Falls constitutes a violation of the agreement between the province and the company. The company, it is understood, will appeal to the Dominion government to disallow the act authorizing this hydro development at Niagara Falls.

These are but two examples of many which are beginning to have a serious effect on the regard of the British and foreign investor for Canada as a field for investment.

RETROACTIVE TAX ON NICKEL PROFITS

Ontario's Minister of Mines Says There Will Be One—Nickel Output Closely Guarded

Speaking at a political meeting in Toronto, this week, Hon. G. Howard Ferguson, minister of lands and mines, stated that a retroactive tax is to be placed upon the profits of the International Nickel Company. "At present," Mr. Ferguson is reported as saying, "the nickel commission (comprising representatives of the Imperial and Ontario governments) are dealing with that question, and I can say this to you, without disclosing improperly any information as to what the commission are doing, that we are pretty well satisfied we have got an improved and equitable method to meet the whole mining situation, with a better tax in the future. So far as the nickel situation is concerned, when legislation is brought down making a new tax next winter that legislation will say that, so far as International Nickel is concerned, it will be retroactive, just as Sir Thomas White's war taxes were retroactive, and we will get a fair share of the profits."

Only 4 Per Cent. German.

With reference to the statement that 25 per cent. of the stock of the International Nickel Company was in the hands of the Krupps of Germany, Mr. Ferguson said he was prepared to show that not only not 25 per cent., but not 4 per cent. of the stock of the International Nickel Company was held by any German or Austrian. He said that practically every acre of valuable nickel Ontario possessed was given away to private corporations by the Liberal Administration, whereas the present government, since it came into power, had not given one solitary acre of its nickel lands to any other than the private prospector. Hon. Mr. Ferguson referred to the discovery in the province of a successful commercial process for the refining of Ontario ores, and said that, as a result of the nickel commission and the chemists and metallurgists who worked with them, they had to-day both the large companies coming to the government and saying: "We are prepared to come into the province of Ontario and refine our nickel." Mr. Ferguson added: "We are to-day negotiating with them for the development of power for this very purpose."

Embargo on Nickel.

Regarding the talk about an embargo on nickel, Mr. Ferguson declared the allies at one time in this war were largely dependent on the munition factories in the United States for supplies. The British Empire undertook to make contracts with firms in the United States, and with reference to nickel the British government practically took charge of the operations of the International Nickel Company and they are operating that to-day.

"Not one ton of nickel," declared Mr. Ferguson, "goes out of the refinery the order for which is not submitted to the British Admiralty and approved before it is sent out. Not one ton of nickel matte goes out of this country except by license of the Dominion government, whereby it can be traced to its ultimate end, where it is turned out in the form of munition supply."

Regarding the supplies on board the Deutschland, Mr. Ferguson said "the Dominion and provincial governments to-day know just how much nickel there was on the Deutschland, just where it came from, what its source was, and we know it never came from the International Nickel Company."

"I challenge any man in the Dominion of Canada to put his finger on one tittle of evidence that nickel has been getting to the enemy through International Nickel channels," he concluded.

CANADA'S PROGRESS REVIEWED

For fifteen years the Canadian Annual Review has furnished in one volume a useful and educative survey of public affairs in the Dominion. The latest issue is divided into these sections: The World War; British Empire in Action; Canada and the War; Canadians at the Front; United States and the War. Its contents are varied and interesting.

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