

and industrial corporations is as yet very vaguely defined, but a number of recent cases¹ have brought the matter into prominence with the result that a stated case has been prepared and submitted by Order-in-Council to the Supreme Court.² This stated case consists of a series of questions involving the whole subject of company incorporation in its constitutional aspect, and presents perhaps the most important issue that has ever been brought before the Supreme Court in a single case.

The magnitude of the questions involved in this case can scarcely be over-estimated, and whatever the decision, it will almost certainly be appealed to the Privy Council, and will in all probability result in an application to amend the British North America Act. Item 11 of s. 92 of the Act gives the provinces jurisdiction over "the incorporation of companies with provincial objects." The incorporation of banks is specifically relegated to the Dominion Government; but, as the Dominion possesses the residuum of powers not granted to the provinces, the incorporation of companies with other than provincial objects is vested in the Dominion. The whole controversy, therefore, centers around the meaning of the words "provincial objects."

The right of the provinces to impose license fees upon extra-provincial companies is generally supported as based upon the jurisdiction of the provinces over "direct taxation within the province in order to the raising of a revenue for provincial purposes"; and in a number of decisions in the provincial courts³ Acts imposing such fees have been upheld on this ground.

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1. See *C.P.R. v. Ottawa Fire Ins. Co.*, 39 S.C.R. 405; *Re York Loan & Savings Co.*, 11 O.W.R. 507.
 2. The text of the case is published on succeeding pages.
 3. *Halifax v. Western Assurance Co.* (1885), 18 N.S.L.R. 387; *Halifax v. Jones*, 28 N.S.L.R. 452; *Waterous Engine Works Co. v. Okanagan Lumber Co.* (1908), 14 B.C.R. 238; *Rea v. Massey-Harris Co.*, 9 Can. Cr. Cas. 25; *International Text Book Co. v. Brown*, 13 O.L.R. 644.