

federal objects and purposes, could not be interfered with by taxation by the local Legislatures, so, therefore, the operations of corporations chartered by the Dominion Legislature for the private objects and pecuniary gain of the shareholders, could not be interfered with by taxation by the Provincial Legislatures.

In answer to this, it is opposed that on a careful examination of the principle involved in the United States decisions, and the distinction between the two cases, it becomes apparent that the distinction is too broad to sustain the analogy, and the analogy failing, the reasoning based upon it must also fail. And besides, their Lordships of the Privy Council have already defined the boundary between the powers of the two Legislatures in this respect, by sustaining the validity of the Ontario legislation in *Parsons* and the *Citizens Insurance Company*. This legislation interfered with the contracts of Insurance Corporations incorporated by the Dominion Parliament, but their Lordships, notwithstanding, held that the effect of the creation of an insurance company into a corporate body by the Dominion Parliament, merely gave it a corporate existence, with the right to transact business in any Province where no restriction was placed on its operations; and that such a corporation might be prohibited from doing business in every Province of the Dominion unless it complied with the requirements of Provincial legislation. And it was explicitly laid down by their Lordships, that a company might be incorporated by the Dominion Parliament to carry on business throughout the Dominion, and it might so happen that it could do no business in any part of the Dominion, by reason of legislative restrictions in all the Provinces interfering with its operations, though it would still exist and preserve its *status* as a corporate body. This decision of their Lordships also disposes of the objection that the Act in question is a restriction on trade and commerce, and therefore objectionable, as being "in relation to" the regulation of trade and commerce, (a matter not within the scope of the Provincial Legislatures.)