Mr. MEIGHEN: The Senate had it before the Committee on Banking and Commerce for some months. If they had not, of course we could not assume the responsibility of such detailed and prolonged study of it as would be necessary.

Mr. A. K. MACLEAN: I introduced a Bill this session which had been prepared by a Committee of the Dominion Bar Association. The circumstances were such during the latter part of the session that I did not think the Bill would receive the consideration which it deserved; therefore I abandoned the promotion of it this session. Furthermore, I did not like the Bill which had been prepared. It was too much of a scissors and paste preparation; there were many incongruities in it; it would not have been satisfactory. I hope that at the next session, whether hon. gentlemen who are promoting this Bill are here or not, somebody will see that a new Companies Act is passed. The amendments proposed by this Bill are, on the whole, in the right direction. I have not a copy of the British Act before me, but I am under the impression that the incorporation of companies for patriotic, religious, and philanthropic purposes is provided for in one section of the British Act. I do not see why there should be any further provision than one clause giving power to incorporate such institutions under the Act. It is well, when we are basing our Companies Act upon the English Act, that we should follow the English Act as closely as we can, because then a vast amount of judicial interpretation is available from the English law reports. It is not advisable to introduce any new matter if it is at all possible to avoid doing so. In respect to the issue of share capital without par value, I have never been able to see much good in that. The first time I ever heard the suggestion was from the report made by Mr. Hadley, chairman of a commission appointed by an ex-President of the United States in respect to the capitalization of railways. There may be something to say in favour of shares without nominal or par value in the case of railways, although I have never heard its value demonstrated. It has never been used in England, and it has never been used in any of the provinces of Canada so far, and I have been informed by New York lawyers that it is not considered of very much use in that State. I do not believe it will ever accomplish the result which the minister suggested it would. The prospectus clauses are commendable, and they should be in our Act. I presume that clause in our Companies Act, which created what was called "statutory fraud"—it is the old section 48 of the English Companies Act that still remains in our Companies Act—is struck out. That is the provision that if you fail to file any paper, for instance, any contract, the company and its directors were held liable for fraud, whether there was fraud or not. It was eliminated from the English Act many years ago, but we still continued it in the Dominion Act. I am sorry the allotment clauses of the English Act were not put in this Bill, but still that would have made the Act much longer, and perhaps make it more difficult for us to pass it at this time, but I hope that some day they will be inserted. We frequently have companies organized in Canada that commence doing business before having sufficient capital subscribed. The English Act prohibits the commencement of business by any corporation until it has actually had subscribed and paid into the company the amount of money which the prospectus states would be necessary before they would go to allotment, or, in other words, before they would commence to issue shares. However, that is not in this. With respect to the reduction of share capital, clause 54A has the usual provision for inserting the words "and reduced" after the name of the company, pending the time until the Secretary of State passes upon the application. I have never been able to appreciate the necessity for the addition of these words. When the resolution is passed resolving to reduce the share capital, you must, until that is actually accomplished, have the words "and reduced" after the name of the company, and they become a part of the name of the company. I know that is in the English Act, and has been there for a long while, although many text-book writers in England regard it as rather anomalous and unnecessary. I think we should not have that clause in our Companies Act at all. I am not, however, going to ask to have it struck out now. This Bill would never get through if we were to be extremely critical of all these clauses. Does the minister know if there is any provision in our Act for paying off preference shares?

Mr. MEIGHEN: There is not now. That is one of the purposes of this Bill.

Mr. A. K. MACLEAN: Some of the provincial Companies Acts provide a summary method of paying off preference shares.