

there would be (subject always however to other difficulties) the less objection to their being elective or having their term of office limited.

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*COMPANIES—DOMINION AND PROVINCIAL.*

The passage of a new Companies Act by the Parliament of Canada should be a legal event of the first magnitude. Canada has been a little behind Great Britain and the States in taking the company fever, but she is making up well for lost time. Not only are companies being started for every conceivable domestic purpose, but many very large ones have recently been organized in Canada for enterprizes outside of Canada—notably a number of companies for the construction and operation of street railways and the supplying of electricity in different cities in the West Indies and South America.

One of the first problems with which the promoters of a company of any magnitude has to deal is the question of where and from what legislative authority they shall take the charter of incorporation. The practice varies considerably. Sometimes it is one of the provinces of the Dominion; sometimes the Dominion itself; sometimes one of the West Indian islands; occasionally Great Britain; and, in one instance at least in each case, Newfoundland and New Jersey. All these enterprizes were of Canadian origin, the promoters were Canadian, the capital in great part Canadian, and the general business management intended to be conducted in Canada. It seems strange that there should be such a diversity of practice, or that it should ever be thought necessary or even expedient to go outside of Canada for a charter of incorporation. Companies organized by citizens of Great Britain with British capital conduct all sorts of business all over the world under charters taken under the English Joint Stock Companies Acts. Why should Canadian citizens and Canadian capital ever find it expedient to take any charter except a Canadian?

The reason for this, in my judgment, is to be found in an entirely false theory respecting the origin of the power of a company, which finds expression in the Dominion Companies Act, and which by its expression in the B.N.A. Act imposes an altogether unnecessary and most mischievous limitation upon the