

the public and he frames it according to the conditions.

Hon. Mr. SPROULE: Suppose it were a company for the purpose of gain?

Hon. Sir JAMES LOUGHEED: Then he would adapt it to that. This goes into the Companies Act.

Hon. Mr. BEIQUE: Subsection 5 of section 2 provides only for companies incorporated by Act of the Parliament of Canada. I think it would be better to enlarge that section in order to permit companies incorporated by provincial legislation, and desiring to extend their operations into more than one province, to be incorporated under this Act.

Hon. Sir JAMES LOUGHEED: I do not quite follow my honourable friend. A corporation to which letters patent are issued under this Bill will have power to operate throughout the country.

Hon. Mr. BEIQUE: Take a corporation of that nature incorporated under letters patent of a province. A corporation of that kind, although it desired to extend its operations beyond one province into one or two or three other provinces, or the whole Dominion, could not claim the benefit of this Act.

Hon. Sir JAMES LOUGHEED: Would not my honourable friend think that a provincial corporation that wanted to extend its operations would at once make application to come under this Act?

Hon. Mr. BEIQUE: What I am pointing out is that it could not.

Hon. Sir JAMES LOUGHEED: The clause could be made to read, "any corporation" without making any reference to the Parliament of Canada.

Subsection 5 of section 2 was reconsidered.

Hon. Mr. BEIQUE moved:

That after the words "Act of the Parliament of Canada" the following words be added:

"Or under provincial authority, but whose operation extends to more than one province for any of the objects mentioned in this section."

Hon. Mr. SPROULE: Honourable gentlemen, this seems to me to be introducing a principle which in the past has caused a great deal of controversy and trouble in the House of Commons, with regard to bringing provincial Acts under federal authority. In many of the provincial Acts there are provisions which are applicable

Hon. Sir JAMES LOUGHEED.

only to the requirements of the province, and if they are divorced from the original intention and given federal authority, instead of being repealed, they will not accord with the provincial law. For instance, in connection with some of our Railway Acts we have had a great deal of difficulty in this respect. I remember distinctly discussing the Joint Stock Companies Act some years ago, when it was intended to amend it considerably so as to make it workable. One of the provisions of the Bill was similar to this, and it was found rather difficult to deal with. I am very much afraid that if we introduce the principle here, it may be found in the future that some provincial Acts of incorporation have been extended under the provisions of this law so as to come under federal authority, and that by that means we have done away with the control which it was intended in the first instance, by the provincial Act, that the province should have.

Hon. Mr. BELCOURT: The answer to that is that if a provincial company seeks incorporation under this Act and if the provincial incorporation contains provisions entirely inconsistent with the provisions or powers of the Dominion Act, the corporation will have to renounce those provisions. In other words, the provincial corporation gets incorporation under the Dominion Act only within the powers or limitations of the Dominion Act, and if there is any inconsistency it will have to give them up. I mean that because provincial corporation may apply under this new Act for incorporation it does not follow that it will get from the Dominion all the powers that it got from the province.

Hon. Sir JAMES LOUGHEED: It could get them anyway by applying for them under this Act.

Hon. Mr. SPROULE: The company incorporated will come under federal authority, and there are provisions in the Bill which require that reference shall be made to some authority in the province to determine the rights of the incorporators. Which will govern on the carrying out of the provisions of the incorporation, the provincial or the federal authority? If regard is had only to the federal authority, then the provincial law may be violated. That is just the trouble that arose over and over again in connection with the railway laws. The question was whether to apply to the provincial Board of Commissioners or to the Federal Board of Commissioners, and it was