

which are now almost uniform in the various Provinces, and which, within a year, will probably be uniform throughout Canada. Entire uniformity of laws will never be obtained, but every attempt in such direction should be strongly endorsed.

The Ontario Companies Act (ss. 99 to 110) requires that certain information be filed with the Provincial Secretary and that a prospectus must be issued. There is, however, no systematic supervision of the information filed and it need not be under oath. The obvious result is that much of the information is unreliable. While there have been some prosecutions for false information filed they have not been sufficiently frequent to deter the fraudulent promoter. The information required to be filed is taken almost verbatim from the Imperial Act, and much is now obsolete or inapplicable. Moreover the penalty provided by the Ontario Companies Act for its infraction is entirely inadequate. At present a promoter is able to file a prospectus containing false information, on the strength of which he may sell tens of thousands of dollars worth of stock and not be found out until he has unloaded his supply and left the jurisdiction. If he is unlucky enough to be caught, or if he is foolish enough to remain in the Province to be prosecuted, he may incur a penalty (mark it well!) "not exceeding \$200." Even this penalty he may escape under certain circumstances.

The report on Blue Sky legislation recently laid before the Legislature, suggested that the prospectus provisions be taken out of the Companies Act, remodelled, made under oath, and enforced by means of suitable penalties which, in case of a fraudulent statement, would be properly severe. Any legislation that attempts in any way to regulate or control the issue and sale of securities should be directed towards fraudulent promotions, which should be drastically dealt with, while the honest promoter who makes an unintentional error should be treated leniently. The real object of such a law should be to keep out the fraudulent promoter without in any way hampering legitimate business.

The Bill introduced by the Attorney General differs from both the Fraud and Regulatory type. Under it any person issuing or selling securities must file certain specified information with