

above Act, which gives to it exclusive power to regulate trade and commerce, but belongs to it by its general power over all matters not coming within the classes of subjects assigned exclusively to the Legislatures of the Provinces. The only subject on this head assigned to the Provincial Legislatures being as above stated, it follows that the incorporation of companies for objects not purely provincial falls within the general powers of the Parliament of Canada.¹

2. Territorial Limitations.—Provided a company obtains from the Dominion Parliament, without fraud, a charter permitting it to carry on its business throughout the Dominion, the mere fact that it confines its operations to one province and to local provincial objects, will not effect its status as a corporation, or operate to render its original incorporation illegal as *ultra vires* of Parliament.² Similarly, a company lawfully incorporated by a Provincial Legislature has, for the purposes of its business, the same corporate franchises and powers within the jurisdiction creating it, as a company incorporated by the Dominion or even Imperial Parliament, and may transact its business outside the Province wherever by comity or otherwise its contracts are recognized.³

3. Jurisdiction.—But because the Dominion Parliament has alone the right to create a corporation whose object is to carry on business throughout the Dominion, it does not follow that it alone has the right to regulate such company's contracts in each of the Provinces.⁴ Dominion Companies must conform to the enactments of Local Legislatures relating to property and civil rights.⁵ Thus, if a Provincial enactment prohibits corporations from holding land without the con-

¹ *Citizens Ins. Co. of Canada v. Parsons*, P. C. 1881. 7 App. Cas., pp. 116-117.

² *Colonial Building & Investment Assocn. v. Atty.-Gen.*, P. C. 1883. 9 App. Cas., 157; reversing Q. B. 5 L. N., 116.

The Dominion cannot incorporate a railway company where the road is wholly within a Province, without expressly declaring the work to be for the general advantage of Canada or two or more of the Provinces. *Re Grand Junction Ry. Co. v. Peterborough*, 6 Ont. A. R., 339.

⁴ *Clarke v. Union Fire Ins. Co.*, 10 Ont. P. R., 313; affirmed on Appeal, 6 O. R. 223.

⁵ *Citizens Insur. Co. vs. Parsons*, P. C. 1881, 7 App. Cas., at p. 117, adhered to in *Colonial Building & Investment Association and Attorney-General*, P. C. 1883, 9 App. Cas., at 164 & 165.

⁶ *Colonial Building and Invest. Assn. & Atty.-General*, *ibid*, at p. 166.