

Columbia Companies Act was *ultra vires* in so far as it purported to compel a trading company, incorporated under the Dominion Companies Act, with powers extending throughout the whole of Canada, to take out a Provincial licence as a condition of exercising such corporate powers in British Columbia; and the Privy Council further held that the power of legislating with reference to the incorporation of companies in Canada with other than Provincial objects belongs exclusively to the Parliament of Canada under s. 91 of the B.N.A. Act.

The above decision was supposed to have settled the question, until the Chief Justice of Ontario refused to be bound by it, in *Currie v. Harris Lithographing Co.*, 41 D.L.R. 227, on the ground—in effect—that the Ontario legislation was not in the same form as that of British Columbia, and he distinguished the Ontario case therefrom.

There have been several other decisions which directly and indirectly bear on the points in issue, among them *Great West Saddlery Co. v. The King*, 48 D.L.R. 386, 59 Can. S.C.R. 19, but it is not necessary here to go into these cases. An appeal was taken in *Currie v. Harris Lithographing Co.*, and a number of other cases, to the Privy Council, being, in effect, the result of six combined test cases representing some 75 companies which were doing business in Canada under Dominion charters, and were taxed by the Provinces in which they operated.

The decision of the Privy Council just rendered, and which reverses the Supreme Court of Canada, appears to decide, in short, that the Dominion alone has power to incorporate companies for carrying on business in more than one Province: that Provincial incorporation is for local purposes only, and that a Province cannot exact the payment of an imposition as a condition of permitting a Dominion company to carry on business in the Province, and cannot, for non-payment of a tax, penalize the company by abstracting or sterilizing its powers; and what cannot be done directly cannot be done indirectly.

The effect of the tax was to deter companies from obtaining Dominion charters, with the consequent loss of fees to the Dominion and the gain thereof to the Provinces. It is