

tion objected to and there need be no apprehension that there will be any discrimination before the next session of the Legislature, when the undersigned is of the opinion that this section should be repealed and legislation substituted in the shape of an Act specially dealing with this subject and substantially complying with the terms of the despatch of May 14, 1901, and the undersigned recommends that an undertaking be given to this effect. The undersigned does not enter upon a discussion of the constitutional question. He dissents, however, from the view that the provinces may be controlled by the Dominion in regard to the exercise of the rights of raising revenue by imposition of taxes or exaction of license fees. He also points out that the Dominion companies constantly come to the Provincial Governments for authority to hold lands, an authority which under the decision of the Courts they do not possess. The undersigned also refrains from calling attention to the anomalies constantly observed in connection with the concurrent exercise of powers by the Dominion and provinces in granting charters.

"There should be some definition of companies chartered for Dominion as distinguished from provincial objects. It should not be left to the whim of the applicant who may say in his petition, no matter how entirely local or how strictly provincial his proposed company may be, that he seeks incorporation of a company with 'Dominion objects.' It is very much like the case of a short line of railway between two towns in the interior of the province being declared 'work for the general benefit of Canada.'"

The result of this correspondence appears in section 3 of 1 Edw. VII. c. 19, and section 53 of 3 Edw. VII. c. 7, above referred to. No further legislation on the lines indicated in the report of the Attorney-General of Ontario, August 2, 1904, has been passed by the Ontario Legislature, and the questions raised are not disposed of.

It is submitted that the province should have based its case on higher grounds. The question of taxation is not the largest involved. That of control is much greater. There seems to be