

tion. This is not argument, but I apprehend it will be of some importance to your Lordships if I say that in anticipation of the possibility of such a shifting I asked for specific instructions as to the position which the provincial companies desired to take with reference to the contest over "provincial objects;" and I am instructed to say to your Lordships that my clients do not favour a system of dual control over companies, of the kind that would be involved in a decision to the effect that "provincial companies" were of the same capacity practically, for practical purposes, as Dominion companies. I make that statement in view of the possible thought in your Lordships' mind that it was anomalous for me to take this position—

THE LORD CHANCELLOR: It is useful—I was a little surprised. You say the provincial companies want to be bound by the strict provincial limits? MR. WEGENAST: I have specific instructions to take that position before your Lordships.

VISCOUNT HALDANE: We have heard it, Mr. Wegenast. I do not think it can affect the question.

THE LORD CHANCELLOR: No. It is in order to justify your position here; when you state you appear for provincial as well as Dominion companies you want the Board to understand that there is really no diversity of interest as far as your clients are concerned, because they all want you to take the view— MR. WEGENAST: That is so. MR. WALLACE NEBBITT: I do not know what my friend's instructions are, but I think I represent the two largest corporations, and he is certainly not expressing their view.

THE LORD CHANCELLOR: I understand, Mr. Wegenast, that you represent a group of companies? MR. WEGENAST: Practically all, 80 per cent. of the wholesale manufacturing companies of the Dominion.

THE LORD CHANCELLOR: Are they formed together by any association? MR. WEGENAST: Yes, my Lord, the Canadian Manufacturers Association, which exists for the purposes such as are served by our appearing in this reference.

THE LORD CHANCELLOR: They are members of that association? MR. WEGENAST: Yes, my Lord.

VISCOUNT HALDANE: They take that line and you are here to argue the point. It cannot make much difference what their view is. MR. WEGENAST: No.

THE LORD CHANCELLOR: No, it was simply to justify your position. MR. WEGENAST: I wanted to explain why I should find myself in a position of supporting a limitation of the powers of the provincial companies. I think it would be quite understandable to your Lordships if your Lordships could place yourselves in the position of the companies as they operate in Canada. We are more interested in the other phase of this reference, that is to say questions 6 and 7 of general companies reference, because it is an obvious solution of the difficulties in which trading companies find themselves, if, by taking a Dominion Charter, they can secure full capacities and rights throughout the Dominion.

VISCOUNT HALDANE: I think you argued the John Deere Plow case. Was that for this association? MR. WEGENAST: No, my Lord, the John Deere Plow Company. It is an obvious solution for this immensely difficult situation in which companies, both Dominion and provincial, find themselves by reason of the doubts which are here raised if these companies can all by taking Dominion charters square themselves with regard to their capacity and powers to trade throughout Canada.

Now the furthest that the provincial companies whom I represent would care to go in asserting their power to trade beyond the limits of the province is this, that they are not inherently incapable of entering into transactions incidental to the exercise of "provincial objects," interpreting the expression "provincial objects" as at least implying some territorial limitation, that is to say, given an object which is provincial it does not become non-provincial by reason of the fact that certain transactions may be entered into outside the province. If I may illustrate by the example of a municipal corporation in the province of Ontario, say the city of Ontario, it is certainly restricted in its objects to the territory of the province, and yet nobody would say that the city of Ontario had not power or capacity or right, or whatever it may be called, of buying materials outside the province, buying machinery for municipal purposes; but the real purpose of the