

make the tax sufficiently discriminating in order to force Dominion corporations out of existence altogether, and I do not think we ought to permit you to interfere with our policy in a matter within our jurisdiction by such a use of your power of taxation.

"The Government of Canada is not a foreign Government; the corporations that it creates are not foreign corporations; they are as much at home in the Province of Ontario as are those called into existence by the local legislature, and violent hands ought not to be laid upon them. In my opinion all legislation, on the part of a province, of this kind, ought to be disallowed if persisted in. . . . I think you will see what my position is. The question of ultra vires in this matter is quite subordinate to the general question of public policy."

Report of the Premier of Ontario, May 14, 1901, (Hodgins, page 46) :—

"The undersigned has also the honour to state that he has received a report from the Minister of Justice with regard to the Acts respecting extra-provincial corporations in which the Minister of Justice states that he is prepared to suspend the right of disallowance of these Acts 'on receiving assurance that the Provincial Government will, at the earliest opportunity, promote further legislation to either exempt Dominion corporations from this statute or establish equality with regard to license fees and taxation as between Dominion and provincial companies.'

"As the Provincial Government has, undoubtedly, the right to impose taxation for the purposes of revenue on all corporations, no matter whence their authority is derived, the undersigned would not recommend that the province should waive this right. The undersigned, would, however, recommend that any Act of the legislature under which a discrimination may be exercised against corporations having authority from the Dominion Government should be so amended as to establish equality in regard to license fees and taxation between Dominion and provincial companies as suggested by the Minister of Justice,