

The transaction took place in 1912, but it was not until 1918, that the plaintiff company obtained any licence from the Province of Ontario to transact business in that Province. The learned Judge upheld the defence of *ultra vires* on the following grounds: (1) That the Province of Saskatchewan has not plenary, but only limited, power to grant incorporation to companies, and that its powers of incorporation are limited to those companies only having provincial objects. (2) That a company so incorporated cannot have or acquire the general capacity of an individual, but only such powers as individuals could exercise respecting provincial objects, and respecting which alone under the B.N.A. Act it has power to confer corporate rights.\* (3) That in the case of companies brought into existence by a legislature with limited power, the comity of nations does not in the opinion of the learned Judge enable the Courts of other jurisdictions to give or concede to such companies any powers or capacities beyond what the constituting body was itself able to confer. (4) And as the Province of Saskatchewan could not itself incorporate a company for extra-provincial objects, it necessarily followed that the Courts of other jurisdictions could not concede that a company so incorporated had any capacity to acquire authority from any other jurisdiction to exercise or carry on extra-provincial objects. (5) That the licence of the Province of Ontario granted in 1918 could not, in any case, validate contracts made by the company in Ontario when it had no such licence. (6) And further, that a statute of the Province of Saskatchewan made in 1917, in somewhat similar terms to 6 Geo. V. c. 35 (Ont.), and purporting to give to all provincial companies as from their incorporation the capacity to acquire extra-provincial powers, was *ultra vires* in so far as it purported to affect the rights of residents of Ontario.

This is an important contribution to the learning on the subject, and it may be asked whether the principles on which the learned Judge has based his decision may not have an even wider effect than that which it was necessary to give them in the particular case. If the learned Judge is correct in his view as to the legal

\* (On this point we may observe he has come to the like conclusion as that of Meredith, C.J.C.P., above referred to.)