

which went through without discussion. Another technical measure respecting fines, penalties and forfeitures was similarly advanced.

#### The Companies Act.

Hon. Mr. Hanna moved the House into committee on the Government's measure respecting joint stock and other companies, which has been explained at length.

Clause 36 had created some discussion. The second section of this clause stipulates the matters which must be laid before the shareholders at the annual meeting. One provision is that if demanded by shareholders holding 5 per cent. of the capital of the company the report of the auditors must be supplied to each shareholder. Mr. Graham said that many companies were family affairs. He was not sure that the 5 per cent. went far enough.

The Provincial Secretary thought that the report should be supplied on demand, the 5 per cent. requirement being eliminated. There were difficulties, however. One dry goods house might be interested in obtaining information concerning the business of another at the cost of only one share.

"And it would be cheap information at that," commented Mr. Graham.

Mr. MacKay—The 5 per cent. man can create all kinds of trouble. I object to the clause in its present form.

The clause was nevertheless allowed to stand as part of the bill.

The Provincial Secretary, answering Mr. Ross, said that whatever powers the companies had enjoyed heretofore with respect to the transfer of stock had not been interfered with.

#### Allotment of Shares.

There was considerable discussion on a part of clause 87, giving a company the right to make by-laws to regulate the allotment and transfer of shares. This power was opposed in several quarters. Mr. McDougal took the ground that there should be no such control over the rights of the individual holder of stock.

Mr. MacKay thought the regulation was a good one. By means of it people from an opposition company could be excluded. Why should not men who go into business be able to say who should or should not come into it?

Mr. McDougal pointed out the possible hardships that might result in a mining company such as the Nipissing if stocks could not be transferred.

Hon. J. J. Foy cited The Globe newspaper as an example. Why should The Globe be compelled to take him in as a shareholder?

Mr. McDougal asked if a person holding stock in The Globe should be refused the right to sell his stock.

Mr. MacKay—The majority of the shareholders select their directors and entrust their business to them. That is the point.

Mr. May advocated a saving clause, by which the shareholder should first offer his stock for sale to the company before selling to an outsider.

Mr. MacKay thought that any prohibitory clauses should be embodied in the wording of the stock certificates. The clause carried.

The clause providing that no payment for salary, bonus or otherwise shall be made to the President or any director unless authorized by a vote of two-thirds in value of the shareholders at a general meeting duly called for consideration of the same, was allowed to stand. Hon. Mr. Hanna intimated that he did not himself favor the clause. If this is taken out of the bill it means that the old law stands, a majority of the shareholders settling the question.

## WILL FIGHT WITH BACKS TO WALL.

### Premier Whitney's Declaration on the Power Question.

### CABINET ARE UNITED.

### Delegation Regarding Electric Light Company's Bill.

Sir Henry M. Pellatt Argues That City of Toronto Should Not Attempt to Interfere With Vested Rights—Corporation Counsel Fullerton and Mayor Coatsworth Speak for City.

"We are told that we are doing all sorts of things with regard to the money market and the rights of investors. We are told, too, of the feeling in Britain as to our attitude toward the rights of investors. We have The Globe telling us on the 13th instant that 'There is reason to believe that the reactionary element in the Whitney Government is gaining the upper hand, and that Mr. Beck is fighting for his cheap power project with his back to the wall.' What are we to believe, the statements made here to-day or this highly honorable, chivalrous statement with regard to the Government and a member thereof?"

"He (Mr. Beck) is fighting with his back to the wall, and alongside of him, with their backs to the wall, is every other member of this Government. That is the truth, and it is well that it should be thoroughly understood.

"When we were being criticized with regard to what our action would be we took steps to prevent anything but a fair construction being placed upon our acts. That has gone to Great Britain; taken there at my request by persons acting for me. I have been in communication with the leaders of finance in Great Britain, and they do not believe that any vested right will be affected injuriously by any action this Government may take. Whatever temporary effect there may have been by legislation of ours is another matter. We are conscious that we will never do any act which will do an injury to any company without justification."

In these words Premier Whitney emphatically and unmistakably stated the policy of himself and of his Government to the people of Ontario regarding the power question in this Province. It was to a large delegation representing the city, and also shareholders of the Toronto Electric Light Company, who appeared yesterday before the Cabinet to discuss the proposal of the Electric Light Company to be allowed to increase its capital by \$1,000,000.

A decision will be given by the Government at the earliest opportunity. The city's case was presented by Mayor Coatsworth, Controller Hubbard, and Corporation Counsel Ful-

lerton, others present being Controllers Hocken and Harrison, Aldermen McGhie, Geary, and City Solicitor Chisolm. The argument of Mr. E. F. B. Johnston on behalf of the company was that the Government, under the law, had only to consider the question of bona fides.

Premier Whitney replied with some force. Vested rights, he promised, would not be injuriously dealt with. He also spoke strongly in support of the work of the Hydro-electric Power Commission.

#### The Premier's Reply.

The Premier, after some preliminary remarks, declared that the Government was prepared to take all responsibility for the Hydro-electric Power Commission and its acts of commission or omission. In this connection he desired to remove some clouds in the atmosphere. There had been misunderstanding, misapprehension and misrepresentation. The Government had been told that they were doing all sorts of things with reference to the money market, the rights of investors, here and in Britain. They had The Globe of the 13th inst. telling them, "There is some reason to believe that the reactionary element in the Whitney Government is gaining the upper hand, and that Mr. Beck is fighting for his cheap power projects with his back to the wall." What were they to believe, this "highly honorable, chivalrous statement," or the statements that had been made to-day. All the members of the Government, he declared, were fighting with their backs against the wall, and it was well that that should be understood.

From day to day, the Premier continued, reports of all sorts of twaddle were published with regard to the actions of Hon. Mr. Beck, his goings out and his comings in. He outlined some of these reports, saying they made him believe that children were discussing the questions involved rather than serious minded people. The Government would deal with this matter and would give a decision at the earliest moment.

#### The Vested Rights.

Proceeding, the Premier declared, "I want it to be thoroughly understood that, with our knowledge, the Government will never be a party, and I am speaking for the Government, which includes the Hydro-electric Commission—to doing or refraining from doing any single thing, or doing or neglecting to do anything which will affect any vested rights improperly."

Continuing, Mr. Whitney said that they were being criticized with regard to the Hydro-electric Commission, though they had taken steps to prevent anything but a fair construction being placed on their acts. It had been said that the money markets of Great Britain had been prejudiced. He could say in reply that he had been in communication with the leaders of finance in Great Britain and they did not believe that any vested rights would be interfered with injuriously. Whatever temporary effect there may have been as a result of legislation of the Government was another matter. He was conscious that they would never do any act which would do injury to any company without the fullest justification.

The Cabinet Ministers present besides the Premier were Hon. Messrs. Foy, Hanna, Beck, Monteith, Pyne, Hendrie, Matheson, Reaume and Willoughby.

Among the eighty or a hundred shareholders present were half a dozen ladies.

#### Government Has the Power.

Corporation Counsel Fullerton, who spoke first for the city, went into some details as to the legal status of the application. He was of opinion that under the statutes as they stood to-day the Government could delay or refuse, or grant on conditions, as they deemed fit. The Government had created the Hydro-electric Power Commission, which had invited and assisted the municipalities in joining to secure cheap power. At the present time the city was an applicant for the right to expropriate the Toronto Electric Light Company's plant.