

# SEEK TO PREVENT STOCK-WATERING.

## Government Control Over the Public Utilities Companies.

### STRATHROY DAIRY SCHOOL

### Hon. Mr. Monteith Says It Will be Discontinued.

To be Consolidated With the Central Dairy School at the Ontario Agricultural College—Some Amendments of Importance to Succession Duties Act—Business Before the Legislature.

With the exception of a few clauses held over by consent, the Government's joint stock companies bill is ready for the third reading. It was discussed at some length in the Legislature yesterday afternoon, particularly as to the control it exercises in respect to the capitalization of public utility companies. In regard to other classes of companies, it was pointed out by Hon. Mr. Hanna that the concurrent jurisdiction exercised by the Dominion makes such control impossible. These companies would simply get incorporation at Ottawa to do all they desired to do, and the only effect of trying to impose conditions here would be that the Province would be deprived of revenue. The bill when passed will, of course, give the Government the discretionary power some people contend that it does not now possess in respect to the application of the Toronto Electric Light Co. Several suggestions advanced by Mr. Graham and other members of the Opposition in regard to this and other measures were adopted. There was no night session, much to the relief of most of the members, the arduous work in the House and in committees during the past few days having been very trying.

#### Strathroy Dairy School to Go.

Hon. Mr. Monteith, replying to a question by Mr. Ross, said: "It is the intention of the Government to consolidate the two dairy schools in the western part of the Province, and after this year to carry on all instruction work at the Central Dairy School at the Ontario Agricultural College, Guelph. Nothing has yet been decided upon as to the disposal or future use of the building at Strathroy" (where one of the schools is now conducted).

#### Sent to Legal Committee.

Mr. Clapp moved the second reading of his bill to amend the high schools act. This bill aims to remedy certain features of the extra maintenance charges, which are held to be inequitable.

Hon. Dr. Pyne suggested the reference of the bill to the Legal Committee, and this carried amid laughter, as the committee mentioned is noted as the graveyard for many measures.

#### Some Third Readings.

The following bills were given a third reading:—Respecting the town of Kincardine, Mr. Clark; to incorporate the village of South River, Mr. Mahaffy; respecting the village of Port Perry, Mr. Calder; respecting the municipality of St. Joseph; respecting the Superior

#### Copper Company.

#### Insurance and Succession Dues.

Hon. Mr. Matheson introduced two amendments to the act to consolidate the law relating to succession duties. The effect of the changes is practically that when insurance goes to the widow or children, grandfather, grandmother, father, mother or husband, no sum less than \$5,000 shall be called part of the estate rendered liable to succession duties. This idea, which means the exemption of fraternal insurance, was suggested a few days ago by Hon. George P. Graham and received Hon. Mr. Matheson's approval.

Mr. Graham thanked the Provincial Treasurer for the amendment exempting fraternal society insurance. The loss of revenue will be small. "It will facilitate the work of reaching a settlement," added Hon. Mr. Matheson.

The other amendment extends exemption to subscriptions to charitable and educational institutions not paid at the subscriber's death, and paid from his estate afterwards.

#### Colonization Roads.

Hon. Dr. Reaume, in moving the second reading of his bill respecting colonization roads, said it was the first bill of its kind that had ever been introduced in the Legislature. The great object of the bill was to have the co-operation of the organized municipalities in the building of roads. In many quarters of New Ontario there was apathy on the question. In some sections, of course, this was due to the sparse settlement and the consequent lack of financial ability. There was nothing compulsory in the measure, and the Councils which passed by-laws in favor of a road scheme and obtained assistance from the Government could give their share of the contribution in cash or labor. Up to 1861 there was spent on colonization roads in old Ontario \$3,000,000. The good roads system, an act of the former Government, which had taken the place of the old scheme, was, the Minister said, working satisfactorily. This provided co-operation between the counties and the Government in securing county roads systems. He touched upon the present expenditures on good roads in New Ontario, pointing out how it was growing, though everyone admitted the necessity for the roads and the importance of continuing to build them. From 1901 to 1905 the wages for labor aggregated \$634,000; those of overseers, \$86,000; inspectors, \$46,000. Provisions cost \$37,400; timber, \$24,000, and tools, \$13,000.

Mr. Graham sought some further light on the measure, and elicited the information that, according to the local conditions of settlement, etc., some roads would be built, as now, wholly by the Government, others by the co-operation plan outlined.

#### The New Companies Act.

The House discussed in committee the Government's bill respecting joint stock companies, which caused considerable discussion.

Hon. Mr. Hanna agreed with Mr. Clark (Centre Bruce) that if the number of shares was limited it might have the effect of preventing over-capitalization. But it was difficult to see how this could be done.

Mr. Graham added that they might even go farther, and hold investigations on applications for incorporations, with a view to checking over-capitalization.

Hon. Mr. Hanna said that all possible precautions had been taken in the bill in respect to over-capitalization of companies operating municipal franchises. The Province had the power to do this, but could not go so far in relation to mining and manufacturing companies, the Dominion Government having concurrent jurisdiction in respect to such concerns. If the latter did not get incorporation here they would get it at Ottawa. They could then operate in Ontario, and the Provincial Government had no power of imposing conditions upon them. To try to impose too strict terms would only have the effect of depriving the Province of revenue.

Mr. Graham favored the idea of limiting the number of shares. The Legislature should declare itself as opposed to over-capitalization. The department

might exercise closer scrutiny over applications for increases in capital.

#### Control Over Stock Issues.

Mr. McDougal thought no issue of stock below par should be allowed. He questioned the advisability of giving the Lieutenant-Governor power to direct the issue of letters patents in terms and conditions different from those applied for in the case of public utilities companies.

Hon. Mr. Hanna indirectly referred to the Toronto Electric Light Company's application, without naming the company, as a case illustrating the necessity of such legislation. Suppose it was necessary that a company should have the increased capital, that it was shown the public service demanded it, the Lieutenant-Governor had no authority under the present law to impose any conditions on the company as to how the increased stock should be dealt with.

Mr. McDougal thought that as drawn the clause would not govern the case of issuing supplementary letters patent. Hon. Mr. Hanna held that in conjunction with other clauses it would. The clauses had been drawn by Justices Meredith and Anglin, and he was not disposed to change them. The clause carried.

#### The Winding-up Clauses.

On the sections relative to the winding up of a company, Mr. Graham suggested that in addition to the notice given in The Ontario Gazette a notice should also appear in a paper published at the place where the headquarters of the company were situated. The Ontario Gazette was not a widely read publication, and many people interested in companies would not think of looking there for such notices. The suggestion was adopted.

An amendment made to this portion of the bill provides that three months' salaries of employees shall have prior claim over ordinary creditors, and for the balance, if any, of their claims to rank with ordinary creditors.

Conflicting clauses were amended so as to make it quite clear that the meetings of companies must be held at the head offices.

One clause of the bill was amended so as to make it clear that, provided they were not aware that the statements were untrue, promoters are not liable for false statements in prospectuses.

Mr. Graham asked as to the delay

## OPPOSE PARALLEL LINES.

### THAT IS THE POLICY OF THE ONTARIO GOVERNMENT.

Two Bills for the Incorporation of Railways in Northern Ontario Withdrawn Before the Railway Committee of the Legislature.

In the Railway Committee of the Legislature yesterday the bills introduced by Mr. Smyth (Algoma) and Mr. Aubin (West Nipissing) for the incorporation of the Silver Belt Electric Railway Company and the Sudbury-Cobalt Railway were withdrawn. The Chairman, Hon. Mr. Hendrie, said the Government had considered the measures and desired that the charters should not be granted this session. The Government was spending large sums of money on the Temiskaming & Northern Ontario Railway, and the proposed Silver Belt Railway practically paralleled the Government line for about ten miles. In respect to the Sudbury-Cobalt proposition the T. & N. O. Railway Commission was now considering the advisability of sending out a party to thoroughly examine the district between the two points named, and also to make a complete survey with the view of building a branch line if the Government should decide on that policy.