REPORT

Of the Minister of Justice upon the Statutes of the Legislative Assembly of the Province of British Columbia passed during the Session of 1937.

By Command.

G. M. WEIR,
Provincial Secretary.

Provincial Secretary's Office.

OFFICE OF THE LIEUTENANT-GOVERNOR'S SECRETARY,
VICTORIA, B.C., January 18th, 1939.

SIR,—I have the honour, by direction, to enclose herewith a certified copy of Order in Council P.C. 79, dated the 11th January, 1939, approving the Statutes of the Province of British Columbia passed in the year 1937; as also a copy of the Report of the Minister of Justice, referred to in the Order in Council.

I have the honour to be,
Sir,
Your obedient servant,
A. M. D. FAIRBAIRN,
Private Secretary.

The Deputy Provincial Secretary,
Parliament Buildings,
Victoria, B.C.

P.C. 79.

Certified to be a True Copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor-General on the 11th January, 1939.

The Committee of the Privy Council have had before them the attached report from the Minister of Justice, dated 22nd December, 1938, stating that he has examined the Statutes of the Province of British Columbia passed in the year 1937, and received by the Secretary of State of Canada on the 28th day of December, 1937, and that he is of opinion (subject to the comments therein set forth) that these Statutes may be left to such operation as they may have.

The Committee concur in the views of the Minister of Justice as set out in the said report, and advise that a copy hereof, and of the attached report, if approved, be transmitted to the Lieutenant-Governor of British Columbia for the information of his Government.

All of which is respectfully submitted for approval.

E. J. LEMAIRE,
Clerk of the Privy Council.

The Honourable the Lieutenant-Governor of British Columbia.

P.C. 79.

DEPARTMENT OF JUSTICE, CANADA.

OTTAWA, December 22nd, 1938.

To His Excellency the Governor-General in Council:

The undersigned has the honour to report that he has examined the Statutes of the Province of British Columbia passed in the year 1937, and received by the Secretary of State of Canada on the 28th day of December, 1937, and is of opinion (subject to the comments hereinafter set forth) that these Statutes may be left to such operation as they may have.

There are two features of Bill 13, "An Act to amend the 'Securities Act,'" R.S.B.C. 1936, Ch. 254, which call for comment.

By sec. 2 of that Act "company" is defined as: "An incorporated company, association, syndicate, or organization, wheresoever incorporated, and includes an intended company."

The provisions of the Act are thus made applicable to companies incorporated by or under the authority of the Parliament of Canada, as well as to other companies carrying on business in the Province.

The said Bill, by sec. 2, defines the word "official" as including: "President, chairman, director, member of a committee, trustee, secretary, treasurer, general manager, departmental or branch manager, and any other official by whatever name called."

Sec. 29 enacts a new section, in substitution for sec. 36 of the principal Act, vesting authority in the Lieutenant-Governor in Council to make regulations (by subsec. 2 (*e*)) prescribing qualifications for and other conditions respecting officials of companies; and also (by subsec. 2 (*f*)) prescribing conditions for the formation, organization, operation, and winding-up of unincorporated syndicates, associations, and organizations.

The undersigned is disposed to think that said para. (*e*) is invalid in so far as it professes to confer on the Lieutenant-Governor in Council any power to regulate the qualifications of "officials" of companies incorporated by or under the authority of the Parliament of Canada with power to carry on business throughout the Dominion; and that said para. (*f*), in so far as it purports to confer on the Lieutenant-Governor in Council power to prescribe conditions for the "winding-up" of unincorporated syndicates, associations, and organizations, is also invalid as trenching upon the exclusive legislative authority of the Dominion Parliament in relation to "bankruptcy and insolvency."

The undersigned considers, however, that any questions affecting the validity of these provisions of the said Bill may be more conveniently and satisfactorily determined by the Courts than by Your Excellency in Council upon the recommendation of the undersigned, therefore he would not recommend disallowance on the ground that the said provisions of the Bill are constitutionally invalid.

The undersigned recommends that a copy of this report, if approved, be transmitted to the Lieutenant-Governor of British Columbia for the information of his Government.

Humbly submitted.

(Sgd.) ERNEST LAPOINTE,

Minister of Justice.