

Province is as purely incidental as was the operation of the statutes under review in the cases which Mr. Masters denies to be relevant. He proposes the following test of his theory:—

"Assume that in *Royal Bank v. Rex*, the bondholders had been resident in the Province and the property in Montreal. In that case the legislation would have dealt with civil rights in the Province and with property out of it, the converse of the position on which this discussion is based. Can we say that the Privy Council would have upheld the legislation in these circumstances?"

In my opinion they certainly would have upheld it. But the situation supposed is not really the converse of that involved in *Royal Bank v. Rex*. It is one in which the argument in favour of constitutionality would really be much stronger: for the Legislature having control of the persons owning the property would be dealing with their rights in precisely the same manner as a court deals in the ordinary course with suits involving the right of litigants in regard to property which lies beyond its jurisdiction. Under these circumstances a court adjusts those rights by acting in *personam*, not in *rem*. It would surely be going very far to argue that the B.N.A. Act should be construed in such a manner that, under the supposed circumstances, the powers of the Legislature would be of narrower scope than those normally exercised by judges. These considerations, I need scarcely say, are independent of the deduction which I should draw from the general principle on which I have been insisting, viz., that a statute relating to a subject-matter with which a Legislature is authorized to deal cannot be pronounced invalid on the mere ground that it affects consequentially another subject-matter over which the Legislature has no jurisdiction. If this principle is accepted, there will manifestly be no ground upon which an enactment of the tenor suggested by Mr. Masters could be annulled.

The statement in my former article that "the rights acquired by a non-resident shareholder as a result of an assignment, pledge, or testamentary disposition of shares in a Provincial company" are rights outside the Province, is still con-