

CIVIL SERVANTS AND THE IN-COME TAX.

Judgment of the Supreme Court of Canada in the St. John Case and the Reasons Therefor.

(Continued.)

Besides the case of *The Bank of Toronto v. Lambe* (1), has, (if the line of argument in the *McCulloch Case* can have any bearing on the question since that case was first thus used), conclusively established the right of the province to tax banks created by and solely within the creative power of the Dominion and yet doing business within the province seeking to tax it.

I am not at all clear that the *Webb v. Outtrim Case* relied upon here and in the court below can be said, upon close analysis, to have very much to do with the question presented here.

I am unable, notwithstanding the array of judicial authority supporting and following the judgment in the *Leprohon Case*, to find that it proceeded upon a correct interpretation of the *British North America Act*.

I think the appeal should be dismissed with costs.

Mr. Justice Maclellan.

I am of opinion that this appeal should be dismissed. Even if *Webb v. Outtrim* had been otherwise decided, it would not, in my opinion, necessarily govern the present case, inasmuch as the act establishing the *Australian Commonwealth* differs in a very important respect from the *British North American Act*.

I think the tax in question is within the powers conferred on the *Canadian Provinces* by section 92, sub-sections (2), (8) and (13) of the latter act, and is not affected by anything contained in section 91.

By those sub-sections, jurisdiction is conferred upon the provinces, within their respective limits, over pro-

JOSEPH P. VALIQUETTE

Druggist & Grocer

PHONE 4176

Cor. Clarence and Dalhousie Streets
OTTAWA, ONT.

THOS. BIRKETT & SON CO.

LIMITED

Importers and Wholesale Dealers in
SHELF and HEAVY HARDWARE
Canal St., OTTAWA.

**TRY OUR DOLLAR
A MONTH SYSTEM**

CLOTHES
CLEANED
PRESSED
REPAIRED

**MY
MODEL**

GAUL & MOONEY

Phone 5282. 170 BANK ST.

THE

Quebec Bank

Founded 1818, incorporated 1822.

Capital authorized	\$3,000,000
Capital Paid-up	\$2,500,000
Rest Account	\$1,250,000

Current and Savings Accounts given every attention.

Interest paid quarterly at the rate of 3 per cent. per annum.

Money Orders issued, payable anywhere in Canada.

Travellers' letters of Credit, issued, payable in any part of the world.

Special Banking Room for Ladies.

122 WELLINGTON STREET

D. HOSSACK

MANAGER.