

the appellants obtained an exclusive right of establishing an electric lighting system for a certain term of years in the said city. The city had previously granted the defendants a license to erect poles to carry on an electric lighting business in the city. The action was brought to restrain them from so doing, on the ground that the effect of the by-law and Act confirming it was to revoke, or give the plaintiff's the right to revoke the prior license in favour of the defendants. The Court of first instance proceeded on the ground that the sale of electric light was a matter of trade and commerce and within the exclusive control of the Dominion Parliament and that the Act of the Quebec Legislature was therefore ultra vires and on that ground the action failed. The King's Bench on the other hand went on the ground that the by-law in giving a monopoly to the plaintiffs was beyond the powers of the city and that the confirmatory act was also ultra vires. The Judicial Committee held that the act was within the exclusive competence of the Local Legislature as being passed in favour of a purely local undertaking, and none the less so because it excluded for a limited time the competition of rival traders. But it was also held that the by-law in question, upon a proper construction, neither revoked the license to the respondents nor gave the plaintiffs any right to revoke it. The appeal was therefore dismissed. In the view of the Committee the effect of the by-law was this—that the city merely bound itself during the period named not to grant to any other person similar rights to those thereby granted to the plaintiffs, but at the same time they virtually said "you must remember that we have granted permission to the Ottawa Company to establish a system of electric lighting in the City of Hull and that system is now in operation—we bind ourselves not to convert that permission into a right, but we do not bind ourselves to revoke that permission at your bidding. We keep the power of revocation in our own hands." This view was strengthened by the fact that the by-law in question imposed no obligation on the plaintiffs to furnish electricity nor did it in any way control the charges the plaintiffs were to make.