on the fact that "the machinery of the Act was local in its character, that is, it created local boards with the power to make local by-laws." And so said Mr. Edward Blake also, referring to that matter upon the recent argument:[1] "It seems plain from the decision in that case and from the general tone of the discussion that it was held that the Dominion could not generalize in a matter which was purely local, purely local as had been decided by *Hodge* v. *The Queen*; that their attempt to deal with that subject, to appropriate it to themselves, it being a local subject, by acting for the whole Dominion and appointing their own officers, and so forth, did not alter the character of the Act or deprive the provinces of that power which they had under 'merely local or private;' that it remained a local and private subject, and therefore the Dominion License Act was void, while the Local License Act was maintained." So that to adopt the language of Gwynne, J., in *Molson* v. *Lambe*,[2] what is established by the decisions of the Privy Council in *Hodge* v. *The Queen*,[3] and In the Matter of the Dominion License Acts, is that laws which make, or empower municipal institutions to make, regulations for granting licenses for the sale of intoxicating liquors in taverns, shops, etc., and for the good government of taverns and shops so licensed, and for the peace and public decency in the municipalities, and for the repression of drunkenness and disorderly and riotous conduct in the municipalities, and imposing penalties for the infraction of such regulations, are laws which deal with subjects which are exclusively within the jurisdiction of the Provincial Legislature.[4]

But inasmuch as the liquor trade is part of the trade and commerce of the country, it is of course clear that the Dominion Parliament has also certain powers of regulating it under No. 2 of sec. 91, "the regulation of trade and commerce."

[1] Transcript from Marten & Meredith's notes, 3rd day, at p. 99.

[2] 15 S.C.R. at p. 287, 4 Cart. at pp. 347-8, (1888).

[3] 9 App. Cas. 117, 3 Cart. 144.

[4] As to the effect of the Privy Council's decision in the matter of the Dominion License Acts, see also per Sedgewick, J., in In re Prohibitory Liquor Laws, 24 S.C.R. at p 249; per King, J., S C., at pp. 256-7; and for a synopsis and extracts of the argument before the Privy Council, see Todd's Parl. Gov. in Brit. Col., 2nd Ed. at p. 551, etc.