

everywhere, to enforce their purchased bonds can be absolutely cancelled and destroyed, how can it be said that, acting under the same head of jurisdiction, the Legislature cannot deal with the railway and its assets in Alberta in such a way as will, incidentally, deprive the bondholders of a right, anywhere, to cancel their purchase? Fix attention upon the railway and its assets in Alberta, and ask whether, in legislating with regard to them, the province is limited by considerations of the effect of its statute upon the legal relations of everybody outside Alberta to everybody else?"

Of that argument, Mr. Labatt takes no notice. Did he mistake it for a discussion of "the meaning of the phrase 'civil rights within the Province?'"

I illustrated that argument by recalling that the Province of Manitoba had passed statutes "reducing or postponing or otherwise dealing with their bonded obligations," although holders of the bonds resided outside the Province, and I added that

"it was not because of control over 'civil rights within the Province' that the authority to borrow was given to them. It was because of power over 'municipal institutions in the Province.'"

Of that argument Mr. Labatt takes no notice.

For another reason, discussion "of the meaning of the phrase 'civil rights within the Province'" was unnecessary, namely, because the pleadings did not raise it, and, without a good deal of proof, it could not properly be dealt with. The Privy Council assumed that "the action of the government altered" the purpose for which the money had been raised, and as to that I said:—

"But what was the alteration in the scheme? There is no sign of it in the statute. There is no trace of it in the evidence. There is no suggestion of it in the pleadings. Their Lordships attribute it to the 'Government.' What did the Government do? As far as we can see, the Government did nothing, and had no power to do anything. Even if there had been some alteration, the necessary result would not be the creation of a right in the bondholders to return their money. We should have to ascertain very carefully, what the alteration was; whether it affected prejudicially the position of the bondholders; the circumstances under which the bondholders advanced their money; how far the work of construction had proceeded; whether the bondholders had in any way (by accepting interest from the Government, or otherwise) precluded themselves from bringing an action for the return of the money, and so on. In short, the bank should have pleaded all the facts necessary to shew the existence of the bondholders' cause of action; the Government would then have pleaded such facts as were