

## IS A DEBT SECURED BY PROMISSORY NOTE GARNISHABLE?

Such also is the view of Mr. Justice Crompton as given in the *Law Journal* report of *Jones v. Thompson*: 27 L.J.Q.B. 289, where he says: "There must be a debt, which, though not due in point of payment, is yet an absolute debt. There is a large class of cases which come under this head, such as the case between the drawer and payee of a promissory note still running, in which I have always held at Chambers, and I understand other judges also, that there is a debt." Similar language is given in the report in the *Jurist* (4 Jur. N. S. 338), but in the regular report, as found in Ell., B. & Ell. 63, all this passage is expunged.

In *Mellish v. Buffalo, Brantford v. Goderich R. Co.* 2 U. C. L. J. 230, an attaching order had been made by Burns, J., in respect of a debt due on two acceptances made by the garnishee in favour of the judgment debtor. One of these was overdue, the other not yet due. Upon the summons to pay over the garnishee objected that the judgment creditor should shew that the acceptances were still in the hands of the judgment-debtor or under his control, so that he might not have to pay twice. In this, Hagarty J. agreed, saying, that it would not be safe to make an order, as it was quite possible the acceptances might be in the hands of *bona fide* holders for value prior to the granting of the order to pay over (if such were made). He observed that the difficulty in carrying out the garnishee clauses, with regard to bills and notes and other floating securities for money, arose from the non-existence of any enactment in Canada, similar to Imp. Stat. 1-2 Vict. c. 110, s. 12, by which the Sheriff can seize bills and notes under *a. fi. fa.*,—the effect of the service of the order to attach being the same as the effect of the delivery of the

writ to the Sheriff. He preferred letting the Court dispose of the matter in term and so enlarged the summons. We have been unable to trace this case any further, but a very similar case of the same name is to be found in 2 P. R. 171. There Robinson, C. J., is reported to have questioned whether the garnishee clauses are applicable to a debt secured by negotiable bills, not yet due,—it being of so shifting a nature, dependent on the holders' endorsing them away before the attaching order was served, and even endorsing them away at any time before they were due. The remedy intended to be given to the judgment creditors in such cases would seem to be imperfect, at least without the hazard of embarrassment and injustice to others, so long as there are no means of seizing such securities under an execution. In *Turner v. Jones*: 1 H.&N. 883, Bramwell, B. expressed a doubt upon the matter thus: "The garnishee was indebted to the judgment debtor in a sum of money, for which he agreed to give bills of exchange payable at certain future periods. Therefore the debt was not actually due but accruing due; and it may be that such a debt is not attachable, but upon that point I give no opinion." The next recent case is a decision of the Irish Court of Queen's Bench in *Pyne v. Kinna*: Ir. R. 11. C. L. 40. It was there held that a promissory note, not yet due, was not the subject of an order to attach. The weightiest reason is that assigned by Lawson, J., who said: "This being a negotiable instrument no order of ours can prevent its being endorsed over." The Chief Justice Morris gave a reason which does not strike us as very forcible. He said: "What evidence of debt is there in a promissory note? There may have been no consideration." But the Court came to the conclusion unani-