

The Legal News.

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A Bill passed by the House of Lords early in the Session, has for its object to abolish Vice-Admiralty Courts, and to transfer the jurisdiction to the local Courts. In other words, the Admiralty Court will, in the colonies, be a purely colonial Court in theory, and not, as now, a Court emanating from the jurisdiction of the Admiralty of England. By section 5, the appeal from the local Admiralty Court is to be to the local Court of Appeal and thence (section 6) to the Privy Council. Thus the direct appeal which at present exists to the Queen in Council will be abolished.

In the matter of the *Central Bank*, a judgment was rendered in the High Court of Justice at Toronto, May 14, 1890, following the principle laid down by Chief Justice Johnson in *Exchange Bank v. Montreal City and District Savings Bank*, M. L. R., 2 S.C. 51, and affirmed in appeal, Sept. 27, 1887. The Central Bank obtained a loan of \$12,000 from the North American Life Insurance Company, on the security of a transfer of 135 shares in the capital stock of the bank. The loan was repaid by the bank two months afterwards, but the re-transfer of the shares was never accepted so as to divest the insurance company of their title and vest it in another holder, as required by the Bank Act. The Central Bank being now in liquidation, the liquidators made an application to enforce against the insurance company the double liability on the 135 shares. The Master in Ordinary, Mr. Hodgins, Q.C., in refusing the application, observed:—"The decision of the present Chief Justice of the Superior Court of Quebec on a clause of the Savings Bank Act (R. S. C., c. 122, s. 20), which has some analogy to the clause which I have cited from this insurance company's charter, is so much within the policy of the canon of corporation law I have referred to, that I have no hesitation in applying it to the case

before me. Under a power conferred upon savings banks to loan their moneys on personal security, taking as collateral thereto 'stock of some chartered bank in Canada,' a savings bank acquired 307 shares in the the capital stock of the Exchange Bank as collateral security for loans made to several outside parties. On the winding up of the Exchange Bank, the liquidators sought to make the savings bank liable in respect of the 307 shares standing in its name in the books of the bank; but the Court held that the savings bank could not acquire or hold such shares except as pledgees, and could not become the owner of such shares within the meaning of the Bank Act, and was not therefore subject to the double liability imposed by that Act.The case of *Railway etc. Advertising Co. v. Molsons Bank*, 2 Leg. News, 207, is to the same effect." The canon referred to above is that stated in *Pickering v. Stephenson*, L.R., 14 Eq. 322, that the governing body of a corporation organized as a trading partnership cannot in general use the funds of its community for any purpose other than those for which they were contributed, or authorized to be used.

COURT OF QUEEN'S BENCH— MONTREAL.*

Constitutional law—City of Montreal—Butchers' private stalls—Taxation—37 Vict. (Q.) ch. 51, sect. 123, sub-sections 27, 31—By-law.

Held, 1. That sub-sections 27 and 31 of sect. 123 of 37 Vict. (Q.), ch. 51, by which the Council of the City of Montreal is authorized to regulate, license or restrain the sale, in any private stall or shop in the city outside of the public meat markets, of fresh meats, vegetables, fish, or other articles usually sold on markets, is within the powers of the provincial legislature.

2. That the by-law passed by the City Council under the authority of the above-named sub-sections, fixing the license to sell in a private stall at \$200, is valid.—*Pigeon & Cour du Recorder*, Dorion, Ch. J., Cross, Baby, Church, Bossé, J.J., June 26, 1889.

* To appear in Montreal Law Reports, 6 Q.B.