

Correspondence.

THE ROYAL BANK v. THE KING.

To the Editor, CANADA LAW JOURNAL:

SIR,—The able article of Mr. Labatt, in your September number, appears to me very effectually to dispose of the criticisms of Mr. Lefroy, K.C., and Mr. Ewart, K.C., on the judgment of the Judicial Committee of the Privy Council in the *Royal Bank of Canada v. Rex*, and it is perhaps like "slaying the slain" to say anything more on the subject. Yet I would venture to remark that it appears to me to be a curious phenomenon that astute and clear-minded men could ever have the slightest doubt about either the perfect justice or wisdom of that decision. Nevertheless, the fact remains that we have an Attorney-General of Alberta, a Provincial Assembly, and two Ontario "learned in the law" of the opinion that the legislation in question was permissible under the B.N.A. Act.

Instead of dealing with railways and millions, let us put the case in a way that "the man in the street" can grasp it. Let us suppose that Mr. A. B., a solicitor in Toronto, has a client in Scotland who sends to him at Toronto \$2,000, with instructions to invest the money on a lot of land in Alberta, on the title being made out satisfactorily. Mr. A. B., we will suppose, puts the money in his pocket, and communicates with his agent in Edmonton informing him that he has the money, and that, when the title to the land is satisfactory, he may pay over \$2,000, and draw on him for the amount. The agent notifies the proposed vendor that he has authority to pay him the money as soon as he makes title.

Before the transaction is completed, however, the Legislature of Alberta passes an Act confiscating all moneys due to the vendor, and enacting that they shall be paid into the Provincial Treasury, and the province will assume liability therefor. According to Messrs. Lefroy and Ewart, this would be legitimate legislation. But would it? Mr. A. B. has "opened a credit" in Edmonton in favour of the vendor *subject to a condition*, just as the bank "opened a credit" in Edmonton *subject to a condition*. But if the Provincial Treasurer had demanded from the agent of the bank the money, the agent would say, I have no money; I have authority to pay on certain conditions, but these conditions have not been fulfilled; I have, of course, a mass of money in my vaults, but none of it can be designated as this particular fund.

Mr. A. B.'s agent would naturally make the same kind of