

to which section 18 of 14 & 15 Vic. ch. 51, (Ry. Consol. Act), or sec. 75 to 78 of the Consolidated Railway Act have been, or may be made applicable by any special Act. 2nd. For endorsing or guaranteeing debentures of railway companies. 3rd. For issuing debentures therefor. 4th. For prescribing the manner and form of debentures, and how they are to be signed. "But no municipal corporation shall subscribe for stock or incur a debt or liability for the purposes aforesaid, unless the by-law, before the final passing thereof, shall receive the assent of the electors of the municipality in the manner provided by this Act."

By the Ontario Act 34 Vic. ch. 30, sec. 6, the following sub-section is added to section 349 of said Act, "For granting bonuses to any railway, and to any person or persons, or company, establishing and maintaining manufacturing establishments within the bounds of such municipality, and for issuing debentures payable at such time or times, and bearing or not bearing interest, as the municipality may think meet, for the purpose of raising money to meet such bonuses."

Mr. Burton urged that this new sub-section was to be added to section 349, and would properly come after and not before the proviso as to submitting the by-law to the ratepayers.

We are fully satisfied that this view cannot be sustained. The last Act gives a further power to pass by-laws under a new sub-section, which we think is to form one of the group of sub-sections, and that the added sub-section, equally with the original sub-sections, is to be followed by and subject to the general proviso as to the assent of the electors.

We cannot understand any other construction according to the rules for interpretation of statutes, and apart from anything to be learned from authority, the natural construction of writing would place the sub-section in such a position. "No debt shall be incurred for the purposes aforesaid, unless," &c. These purposes were set forth in the preceding sub-sections, and here it is declared, not that a new section shall be added to the Act, but that a new sub-section shall be added to the 349th section.

It is, we think, to form part of that section, to be one of the "purposes" of the section, and must be subject to the general proviso as to "the purposes" aforesaid.

We can hardly concur that the Legislature could have designed, while forbidding the council from taking stock in a railway company without the electors' consent, to permit the council to make a present to the company of any amount they might please, without such assent.

The charter of this company (33 Vic. ch. 36, sec. 7.) makes it lawful for any municipality to aid the company by loaning, guaranteeing, or giving money, by way of bonus, or other means; provided that no such aid, loan, bonus, or guarantee shall be given except after the passing of by-laws and their adoption by the ratepayers as provided by the Railway Act, and provided also that such by-law be made in conformity with the Municipal Acts.

Section 77, Consolidated Railway Act Canada ch. 66, provides that no municipality should subscribe for stock, or incur any debt or liability un-

der this Act, except by by-laws passed with the assent of the electors, &c.

It is then argued that counties can pass any by-law for a debt not exceeding \$20,000 without such assent.

Section 227 of the Municipal Act enacts that every by-law (except for drainage under section 282) for raising upon credit any money, not required for ordinary expenditure and not payable within the year, must receive the assent of the electors, except that in counties the councils may raise by by-law, without submitting the same to the electors, for contracting debts or loans, any sum or sums over and above the sums required for its ordinary expenditure, not exceeding in any one year \$20,000.

The decision of the first question seems to involve the second also.

If, as we think, the council cannot incur a debt by by-law to grant a bonus to a railway except with the ratepayers' assent, it seems to follow that the rule must equally apply to a bonus below as above \$20,000.

The power to pledge the credit of the county to the extent of \$20,000, without the electors' assent must, we think, be certainly confined to lawful purposes, and not to a grant to a railway company, which can only be done with such assent.

The case may be shortly summed up thus:

By-laws to raise money for all lawful purposes beyond the ordinary expenditure, and not payable within the year, must be submitted to ratepayers, except that counties may raise on credit money not exceeding \$20,000 in any one year without such submission.

But *all* aid to railways must be with the assent of the ratepayers; therefore *no* money can be given without such assent without reference to the amount.

GWYNNE, J.—If it had not been for the earnest manner in which Mr. Burton, for whose opinion I entertain the greatest respect, pressed his view upon us, I should have thought the point to be free from doubt. The whole force of his argument was that the additional sub-section, added by 34 Vic. ch. 30 to sec. 349 of the Municipal Institutions Act of 1866, must be read after the proviso at the end of the 4th sub-section of section 349; from which he drew the conclusion that the additional sub-section was not subject to the proviso. Now there is nothing in the language or structure of the sub-section enacted by 34 Vic. ch. 30, which requires that it should be so placed as contended for. The words of the 34 Vic. are, "The following sub-section is added to section 349" of 29-30 Vic. ch. 51, "For granting bonuses to any railway, &c." Now the 349th section, to which this new sub-section is added, is as follows: "The council of every township, county, city, town and incorporated village may pass by-laws." Then follow four sub-sections stating the respective purposes, all beginning with the word, "For," and stating the purpose. Now the additional sub-section enacted by 34 Vic., will read as well, whether placed before the first sub-section or between it and any of the others, as after the 4th; but assuming that, having regard to the time of its being passed being subsequent to the enacting of the original section, it should be inserted and read after the fourth, then its proper place ap-