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PRESIDENTIAL ADDRESS.*

Up to a few days ago, I had intended to attempt to discharge the duty the by-laws of our Association put upon the President to deliver an address at the opening of each annual meeting; by making some observations connected with the prolonged economic depression through which this country has been passing for the last year or two and which is all but paralyzing the usual activities of our institutions, political, social and economical.

As the years go on it becomes increasingly difficult for the President of this Association to address you upon a subject worthy of engaging your attention without merely repeating what has been already very fully dealt with by his predecessors in office. Here, however, was a topic eminently worthy of our consideration and with which, fortunately for us all, none of my predecessors had ever had to deal. We are all feeling the effects of that depression and even if we were not experiencing it in our own lives and in our own professional activities, to the extent to which it is hampering the ordinary activities of the communities in which we live and which we serve, it would constitute a topic about which we would be most properly very much concerned. As lawyers, we are not merely men skilled in the knowledge of rules which Parliaments and Courts have laid down for the orderly management of organized human societies, and experienced in the application of those rules to the day to day intercourse between members of those societies. We are concerned with the gradual evolution and improvement of those rules to the end that they shall more fairly and equitably meet and regulate the ever-changing conditions brought about by the free-play

*Delivered by Mr. Louis S. St. Laurent, K.C., LL.D., at the Sixteenth Annual Meeting of the Canadian Bar Association.

of so many individual initiatives, independent and uncontrolled in the pursuit of their own ends, yet all dependent upon each other for the production of a well balanced economic system.

I had even prepared some notes on that subject but before I had gotten very far with them I received the very interesting report of the last annual meeting of the Canadian Political Science Association, and I found that its President, Doctor Skelton, had delivered a very interesting and exhaustive address on the same subject. I found that much of what I had intended to say had been dealt with by him in a form upon which I could not hope to improve nor even to equal, and I concluded that I could not do better than refer you to what he has said in answering the question to which he addressed himself on that occasion—"Is Our Economic System Bankrupt?" Doctor Skelton's conclusion is one upon which I am sure we would be all agreed.

Our economic system is ill to-day no doubt, but still organically sound; perhaps on the sick bed vows of more regular modes of living may be made, and perhaps when the patient is up and confident again, some of them will be carried out.

There can be no doubt that our economic system is ill and were it not so, and were not the actual or apprehended gravity of its illness so great, I am sure the former President of this Association, the Right Honourable Mr. Bennett would never have suggested to a British Parliament such a departure from ordinary British constitutional practice as is involved in the

Act to confer certain powers upon the Governor in Council in respect to unemployment and farm relief, and the maintenance of peace, order and good government in Canada.

No doubt you all have noted the serious nature of the recitals in the preamble of that Act. They are as follows:

Whereas by reason of the continuing world wide economic depression there exists in many parts of Canada a serious state of unemployment and distress; and whereas the partial failure of the wheat crop of Western Canada has intensified the adverse economic conditions theretofore prevailing; and whereas it is in the national interest that Parliament should support and supplement the relief measures of the provinces and other bodies in such ways as the Governor in Council may deem expedient, and for that purpose should vest in the Governor in Council the powers necessary to insure the speedy and unhampered prosecution of all relief measures and the maintenance of peace, order and good government in Canada; Now, therefore, His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows. . . .

Then come sections two and four which I may be permitted to

quote as further illustrating the actual or apprehended gravity of the situation they are designed to meet:

2. There may be paid out of the Consolidated Revenue Fund such moneys as the Governor in Council in his discretion may deem expedient to expend for relieving distress, providing employment, and maintaining within the competence of Parliament, peace, order and good government throughout Canada.

4. The Governor in Council shall have full power to make all such orders and regulations as may be deemed necessary or desirable for relieving distress, providing employment and, within the competence of Parliament, maintaining peace, order and good government throughout Canada.

A delegation by Parliament of its powers in the widest possible terms to the Executive authority, for the period during which the Act is to remain in force.

You will all remember the incisive study of the Canadian situation made just ten years ago by Viscount Bryce, and which was published under the title of "Canada, An Actual Democracy." He saw us then through very clear eyes, noting many of our qualities and some of our defects, and in estimating the volume and force of public opinion in Canada as compared with European countries, he found that even the large issues were not discussed here on grounds of general principle, but rather on the merits of any particular proposal made. He said:

Few people stop to think of the principles. What interests them is the concrete instance and it would be deemed pedantic to suggest that an apparent immediate benefit should be foregone lest deviation from principle should set a dangerous precedent.

Perhaps even he, viewing our economic situation as it exists at the present time and the dangers which it may portend, would feel that we were justified, without ceasing to look upon ourselves as an actual democracy, to indulge in legislation such as that above cited because of its immediate possible benefit, and without fearing that as a deviation from principle it might be setting a dangerous precedent. One need give but a small measure of consideration to the exhaustive report on Finance and Industry recently presented to the Lords Commissioners of His Majesty's Treasury in Great Britain by the Committee appointed in 1929 under the Chairmanship of our noble and esteemed honorary member, Lord Macmillan, to realize how intimately and how intricately the trade of the world—and with it the price level of commodities, and the incentive to produce them and to exchange them,—is bound up with the problems of international finance; one quickly perceives how powerless is a new and relatively small country like ours, dependent for its internal pros-

perity to so great an extent, on its foreign trade, to exercise any real influence on the working of the international monetary machine to the end that the instability of prices and the consequent upward and downward trend of the Trade Cycle may be averted or in some measure controlled.

This Committee found that for hastening the return to normal conditions it appeared desirable as one measure of relief, that the Central Banks of the great creditor nations of the world should stimulate loans, both foreign and domestic, for the purpose of investment in new capital assets and in the creation of new enterprise. The foreign loans would lower the balances which the debtor countries have to liquidate by further depleting their already small holdings of gold, and the domestic loans for new enterprise would tend to raise the buying power within the creditor countries and thus improve the market for the debtors' other exports. For international debts must be discharged either in commodities or in gold, and when the commodities are unacceptable or acceptable only at prices which fall below the proper level, these debts must be discharged by the export of the only commodity which has a monetary price that does not fluctuate, bars of gold.

On the 1st of January, 1931, the creditor countries already had 75% of all the gold available against 65% which they had on the 1st of January, 1929. They had in these two years reduced their exchanges of commodities with the debtor countries to such an extent that £140,000,000 had to be remitted to them in bullion. How can we in this country do much to relieve such a situation? And indeed the Committee found that it was an important aggravation of the difficulties of solving the problem that it is not possible, even for any one of the creditor nations, to go far in increasing either its own buying or its own lending unless the other creditor countries are more or less in step. For if it does the claims thus created against it would be used by the rest of the world, not to buy more goods, but to meet the demands of the other creditor countries.

Faced with that situation and dependent as we are upon the improvement of world-wide conditions for our own return to normalcy, it may well be many have felt that the concrete instance might in the meantime require extraordinary measures in order that none of our people may suffer too great hardship, and in order that none may lose faith in the inherent soundness of our social system.

In these trying times great indeed are the responsibilities of statesmanship, but great also is, at all times, the responsibility of the legal profession to guard with the utmost care, giving of course

due and unprejudiced consideration to all pertinent circumstances, against any measure which might tend to unduly abridge the actual participation of the citizens at large in the making of the laws under which they shall live, and their actual and timely control over the expenditure of their common funds.

To none as thoroughly as to the men of our profession has history taught the lesson that constant vigilance is the price of liberty, just as in the next few months the constant vigilance of Canadian Statesmen and their sympathetic, prompt and effective consideration of all economic inadequacies may be the price of peace, order and good government in this country.

Another matter which has been seriously engaging the attention of Canadian lawyers in recent months is the legislation which it is proposed to have adopted to give legal recognition to the declaration of the Imperial Conference of 1926 in relation to the equality of status of the United Kingdom and the Dominions. You will remember the resolution was in the following terms:

They are autonomous communities within the British Empire equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations.

There was, as you know, in the autumn of 1929 a Conference of Jurists representing the United Kingdom and the Dominions who examined and reported upon certain questions connected with the operations of Dominion Legislation and the Report of that Conference which covers some fifty pages of very interesting constitutional material was considered by the Imperial Conference of 1930.

I may be permitted to quote from the report of that last Conference:

The Imperial Conference examined the various questions arising with regard to the Report of the Conference on the Operation of Dominion Legislation and in particular took into consideration the difficulties which were explained by the Prime Minister of Canada regarding the representations which had been received by him from the Canadian Provinces in relation to that Report.

A special question arose in respect to the application to Canada of the sections of the statute proposed to be passed by the Parliament at Westminster (which it was thought might conveniently be called the Statute of Westminster), relating to the Colonial Laws Validity Act and other matters. On the one hand it appeared that approval had been given to the Report of the Conference on the Operation of Dominion Legislation by resolution of the House of Commons of Canada, and accordingly that the Canadian representatives felt themselves bound not to take any action which might properly be construed as a departure from the spirit of that resolution. On the other hand, it appeared that representations had been received from

certain of the Provinces of Canada subsequent to the passing of the resolution, protesting against action on the Report until an opportunity had been given to the Provinces to determine whether their rights would be adversely affected by such action.

Accordingly it appeared necessary to provide for two things. In the first place it was necessary to provide an opportunity for His Majesty's Government in Canada to take such action as might be appropriate to enable the Provinces to present their views. In the second place it was necessary to provide for the extension of the sections of the proposed statute to Canada or for the exclusion of Canada from their operation after the Provinces had been consulted. To this end it seemed desirable to place on record the view that the sections of the Statute relating to the Colonial Laws Validity Act should be so drafted as not to extend to Canada unless the Statute was enacted in response to such requests as are appropriate to an amendment of the British North America Act. It also seemed desirable to place on record the view that the sections should not subsequently be extended to Canada except by an Act of Parliament of the United Kingdom enacted in response to such requests as are appropriate to an amendment of the British North America Act.

Then on the 7th and 8th of April last at a Dominion-Provincial Conference held at Ottawa, a clause was approved by the delegates of the Federal Government and of the Governments of all the Provinces of Canada for insertion in the proposed Act for the purpose of providing that the provisions relating to the Colonial Laws Validity Act should extend to laws made by the Provinces of Canada and to the powers of the legislatures of the Provinces, as well as for the purpose of providing that nothing in the proposed Act should be deemed to apply to the repeal, amendment or alteration of the British North America Acts of 1867 to 1930, or any order, rule or regulation made thereunder, and also for the purpose of providing that the powers conferred by the proposed Acts on the Parliament of Canada and upon the legislatures of the Provinces should be restricted to the enactment of laws in relation to matters within the competence of the Parliament of Canada or of the legislatures of the Provinces respectively.

Then on the 30th of June the Dominion Commons unanimously resolved that a humble address be presented to His Majesty praying that he may be graciously pleased to cause a measure to be laid before the Parliament of the United Kingdom, pursuant to those resolutions to contain recitals and clauses to the following effect:

Statute of Westminster.

And whereas it is meet and proper to set out by way of preamble to this Act, that inasmuch as the Crown is the symbol of the free association of the members of the British commonwealth of nations, and as they are united by a common allegiance to the Crown, it would be in accord with the

Notwithstanding anything in the Interpretation Act, 1889, the expression "colony" shall not, in any act of the parliament of the United Kingdom passed after the commencement of this act, include a dominion or any province or state forming part of a dominion.

A similar resolution was adopted by the Canadian Senate and my understanding is that this address has been forwarded and that it is intended that the Statute of Westminster in substantially that form shall be adopted this Autumn and become operative on the 1st of December next.

Now fears have been expressed in some quarters that this consultation of the Provincial Governments might be regarded as recognition that their acquiescence is required before any amendment can be made to the constitution of Canada and the time-honoured controversy over the compact theory of Confederation has again rather prominently come to the fore.

I do not intend to trouble you with any views of mine on that question, either as an abstract proposition of law or as a disputable assertion of fact, but I may perhaps be permitted to suggest that the constitutional documents themselves do set up as legal right and duly bearing units the Dominion on the one hand and the Provinces on the other.

These units have at least the status of corporate persons and they are invested by the constitutional documents both with property rights and with legislative jurisdiction. It would hardly be suggested that it might be proper to transfer the property rights of any one of them to any other without the acquiescence of that one.

Now as regards legislative jurisdiction as early as 1883 in the case of *Hodge v. The Queen* (1884), 9 A.C. 117, at p. 132, the following language was used to state the true character and position of the Provincial legislatures:

They are in no sense delegates of or acting under any mandate from the Imperial Parliament. When the British North America Act enacted there should be a legislature for Ontario, and that its legislative assembly should have exclusive authority to make laws for the Province and for provincial purposes in relation to the matters enumerated in sect. 92, it conferred powers not in any sense to be exercised by delegation from or as agents of the Imperial Parliament, but authority as plenary and as ample within the limits prescribed by sect. 92 as the Imperial Parliament in the plenitude of its power possessed and could bestow. Within these limits of subjects and area the local legislature is supreme, and has the same authority as the Imperial Parliament, or the Parliament of the Dominion, would have had under like circumstances to confide to a municipal institution or body of its own creation authority to make by-laws or resolutions as to subjects specified in the enactment, and with the object of carrying the enactment into operation and effect.

That conception of the true character and position of the provincial legislatures has endured for almost half a century. In *Hodge v. The Queen* it was being expressed with respect to the Legislature of one of the four original provinces, but it seems to be equally applicable to the Provinces of British Columbia and Prince Edward Island which were taken into the Confederation under orders of Her Majesty in Council specially authorized by the terms of the Act of 1867. As to Manitoba, its inclusion is the result both of the Dominion Statute of 1870 and of Her Majesty's Order in Council of the 23rd June of that year, and Alberta and Saskatchewan were established under the Federal Acts of 1905. It does not seem, however, that the constitutional status of these Provinces can be looked upon as any different from that of the original four because the Imperial Act of 1871, when it provided that the Parliament of Canada might from time to time establish new Provinces, and might at the time of such establishment make provision for the constitution and administration of any such Province, and when it expressly confirmed the Manitoba Act of 1870, it also provided that it would not be competent for the Parliament of Canada to alter the provisions of the Manitoba Act or of any other Act thereafter establishing new provinces in the Dominion, except that it might, with the consent of the legislature of any province of the Dominion, increase, diminish or otherwise alter the limits of such province and make provisions respecting the effect of any such increase, alteration, or diminution of territory.

Now, it may be that while both the Dominion and the Provinces remained subject to the legislative jurisdiction of His Majesty's Parliament of the United Kingdom, that Parliament had, in theory, full power to vary the distribution of legislative jurisdiction between them. But after the declaration of 1926 that both the United Kingdom and the Dominions are autonomous communities equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, it would hardly seem probable that the Parliament of the United Kingdom would undertake to legislate for the territory of any one of those Dominions, unless it be expressly declared in the Act that that Dominion had requested and consented to the enactment of the proposed legislation. And if the United Kingdom and the Dominions are equal in status and in no way subordinate one to another in any aspect of their domestic or external affairs, does not the provision of section 92 of the Act of 1867, that in each province the legislature may exclusively make laws in relation to the amendment from time to time of its constitution,

except as regards the office of Lieutenant-Governor, seem to indicate that the Houses of the Dominion Parliament would have no jurisdiction to request or to consent to enactments that might extend or abridge Provincial legislative autonomy? It is true that one of the proposed sub-sections of the Statute of Westminster is to declare that nothing in that Statute shall be deemed to apply to the repeal, amendment or alteration of the British North America Acts, 1867 to 1930. or any order, rule or regulation made thereunder; but the declaration of the Imperial Conference purports to be a statement of the established constitutional position, and if it is so in fact, is anything further required to make it clear that the constitution of the provinces can be amended or affected only by the provinces themselves?

Section 92 excludes federal jurisdiction over them, and the declaration of 1926 does seem to state a constitutional position that precludes interference with them by any other Parliament to which they are said to be in no way subordinate.

Another aspect of constitutional practice which will no doubt be affected by the Statute of Westminster and the declarations out of which this statute arises, is that of the appeals to His Majesty in His Privy Council. I am not suggesting, as I heard it suggested even in London, that the adoption of the Statute of Westminster would automatically put an end to the right of appeal to the Privy Council. It probably will remove the objection to the validity of Article 1024 of our Criminal Code asserted by the Privy Council in 1926 in the case of *Nadan and the King*.

It will no doubt also empower the Federal Parliament to declare, should it see fit so to do, that the judgments of our Supreme Court shall, in all cases, or in such cases as Parliament may determine, be final judgments.

There are probably also good grounds for contending that though the provincial legislatures cannot prevent appeals from their provincial courts to the Supreme Court of Canada because of the provisions of section 101 of the British North America Act, and cannot prevent further appeals from that court to the Privy Council, this being a matter exclusively within federal jurisdiction, they could, because of their jurisdiction over the constitution, maintenance and organization of provincial courts, provide that the judgments of those provincial courts would be subject to no other appeal than such to the Supreme Court of Canada, as might be allowed under Dominion Legislation.

Now I am not putting this forward as an invitation to Parlia-

ment nor to the legislatures to enact such legislation. I am merely pointing it out as further indicating that if, at least after the adoption of the Statute of Westminster, we continue to take our cases or some of them, to the Privy Council for decision, it will not be in any spirit of subordination, nor because we will be compelled by any authority outside of our own dominion to do so, but merely because we may of our free choice, continue to find it convenient to avail ourselves of such advantages as that tribunal offers.

There is without doubt, a growing feeling in Canada that at least in ordinary disputes between private parties, final decisions should be arrived at in our own Courts. On the other hand there are always litigants dissatisfied with the last decision rendered and unwilling to look upon it as final. They are none the better satisfied when the Privy Council has decided against them, but they have come to regard that as the ultimate appeal and to look upon the decision arrived at as a thing which has happened almost as an act of fate without any human intervention, or at least, without the intervention of any human being of whom they know, and against whom they feel justified in levelling any criticism. Is that fact and its soothing effect upon the outraged feelings of a disappointed litigant sufficient to justify the expense and delay of sending learned Counsel on an enjoyable visit to London? I have no doubt that some day it will be found that the inconvenience outweighs the conveniences, and ordinary clients will be satisfied to let us stay at home and to accept their fate from our own Canadian Courts.

In constitutional disputes between the Dominion on the one hand and one or more of the Provinces on the other hand, when the determination of their respective jurisdiction, not only for the matter at issue but for all the time to come, is at stake, it may perhaps be otherwise. I will not repeat the citation of a few moments ago, but if it be true that the provincial legislatures are in no sense delegates of or acting under any mandate from the Imperial Parliament but have within the limits and area confided to them, authority as plenary and ample as the Imperial Parliament or the Parliament of the Dominion themselves, then they are as between themselves and as contrasted with the Dominion in much the same position as the United Kingdom and the other members of the British Commonwealth. Now the report of the last Imperial Conference contains the following:

The report of the Conference on the Operation of Dominion Legislation contains the following paragraph (paragraph 125):

We felt that our work would not be complete unless we gave some consideration to the question of the establishment of a tribunal as a means of determining differences and disputes between members of the British Commonwealth. We were impressed with the advantages which might accrue from the establishment of such a tribunal. It was clearly impossible in the time at our disposal to do more than collate various suggestions with regard first to the constitution of such a tribunal, and, secondly, to the jurisdiction which it might exercise. With regard to the former, the prevailing view was that any such tribunal should take the form of an *ad hoc* body selected from standing panels nominated by the several members of the British Commonwealth. With regard to the latter, there was general agreement that the jurisdiction should be limited to justiciable issues arising between governments. We recommend that the whole subject should be further examined by all the governments.

This matter was examined by the Conference and they found themselves to be able to make certain definite recommendations with regard to it.

Some machinery for the solution of disputes which may arise between the Members of the British Commonwealth is desirable. Different methods for providing this machinery were explored and it was agreed, in order to avoid too much rigidity, not to recommend the constitution of a permanent court, but to seek a solution along the line of *ad hoc* arbitration proceedings. The Conference thought that this method might be more fruitful than any other in securing the confidence of the Commonwealth.

The next question considered was whether arbitration proceedings should be voluntary or obligatory, in the sense that one party should be under an obligation to submit thereto if the other party wished it. In the absence of general consent to an obligatory system it was decided to recommend the adoption of a voluntary system.

It was agreed that it was advisable to go further and to make recommendations as to the competence and the composition of an arbitral tribunal, in order to facilitate resort to it, by providing for the machinery whereby a tribunal could, in any given case, be brought into existence.

As to the competence of the tribunal, no doubt was entertained that this should be limited to differences between governments. The Conference was also of opinion that the differences should only be such as are justiciable.

As to the composition of the tribunal it was agreed:—

(1) The Tribunal shall be constituted *ad hoc* in the case of each dispute to be settled.

(2) There shall be five members, one being the Chairman; neither the Chairman nor the members of the Tribunal shall be drawn from outside the British Commonwealth of Nations.

(3) The members, other than the Chairman, shall be selected as follows:

(a) One by each party to the dispute from States Members of the Commonwealth other than the parties to the dispute, being persons who hold or have held high judicial office or are distinguished jurists and whose names will carry weight throughout the Commonwealth.

(b) One by each party to the dispute from any part of the Commonwealth, with complete freedom of choice.

(4) The members so chosen by each party shall select another person as Chairman of the Tribunal as to whom they shall have complete freedom of choice.

(5) If the parties to the dispute so desire, the Tribunal shall be assisted by the admission as assessors of persons with special knowledge and experience in regard to the case to be brought before the Tribunal.

It was thought that the expenses of the Tribunal itself in any given case should be borne equally by the parties, but that each party should bear the expense of presenting its own case.

It was felt that details as to which agreement might be necessary might be left for arrangement by the governments concerned.

It can hardly be doubted that the setting up of a tribunal under those recommendations to dispose of a justiciable issue arising between governments would be quite as expensive, involve quite as much delay and be open to as great possibility for some dissatisfaction somewhere, as an appeal to the Privy Council constituted as it now is.

If I may venture to express a personal opinion, without attempting to commit anyone to it but myself, I would like to see all our constitutional disputes go to the Supreme Court of Canada, or at least such of them as are considered of sufficient importance to justify the intervention of His Majesty's Attorneys General of the Dominion and of any one or more of the provinces. I would like to see the decision given in the Supreme Court, if it were allowed to become a final decision, henceforth looked upon as a binding authority both on that Court and on the Privy Council in all future similar cases. That would be a first step in making our Supreme Court really supreme, and I am confident that with such a ruling, many constitutional questions would be finally determined here, whilst there would remain open to the Dominion and the provinces as autonomous and independent governments in their respective spheres, for the disposal of such disputes as any one of them felt had not been satisfactorily disposed of by the Supreme Court, a further tribunal, quite as satisfactory and as expeditious and in every way as convenient as one which might be set up under the resolution of the Imperial Conference of 1930.

I must apologize for having detained you at so great length but I felt that these were subjects which it was proper to mention on this occasion, and you will agree with me that they are subjects which, when they are dealt with at all, do require some elaboration.