

## BOOK REVIEWS.

THE CANADIAN LAW OF BANKS AND BANKING. The Clearing House Currency and Dominion Notes, Bills, Notes, Cheques and other Negotiable Instruments: John Delatre Falconbridge, M. A., LL. B., of Osgoode Hall, Barrister-at-Law, one of the Lecturers to the Law Society of Upper Canada. Second Edition. Branch Managers and the Changes in the Bank Act: H. M. P. Eckardt. Canada Law Book Company, Limited, Toronto, 1913.

The British North America Act of 1867, which may be called the Charter of Canada, gave the Dominion the exclusive power of legislating in respect of "Currency and Coinage, Banking, Incorporation of Banks and the Issue of Paper Money" as well as "Bills of Exchange and Promissory Notes." The result has been that the law as to these matters is uniform throughout Canada and does not vary from Province to Province.

No little legislation has taken place at Ottawa on these subjects, and various changes have been made in the law from time to time.

This work attacks practically the whole statutory law of money as it exists in the Dominion. It is interesting to the American lawyer, not only because American cases are very frequently cited but more especially because of the comparison drawn between the Canadian Bill of Exchange Act and the Negotiable Instrument Law now in force in many of the States.

The first subject taken up is of great moment in Canadian banking circles—"Branch Managers and the Changes in the Bank Act." The Canadian banking system is quite different from that in vogue in the United States. In Canada the number of banks is very small, but all of them have branches in various towns or villages; some of them having scores of such branches. The managers of these branches are of course very numerous, and this Chapter is intended to inform them of the recent changes in the Bank Act.

The legislation on Banks and Banking began in 1867 at the first session after Confederation (31 Vic., c. 11); then in 1870 (33 Vic., c. 11); in 1871 (34 Vic., c. 5); then the very important Act of 1890 (53 Vic., c. 31). This with trifling amendments remained the law till 1913, when the new Act 3 & 4 George V., c. 9, was passed. It was to enable managers of branch banks to appreciate the changes made in the law by this last named statute that the Chapter was written. The present reviewer, with considerable experience in banking law, can say that the work has been well and accurately done.

Then comes a careful history of the legislation of the old Province of Canada as well as of the Dominion in respect of Banking—of no use to the practicing lawyer but of great interest to the student of the history, comparative or otherwise of the subject. The Act of 1913 is then taken up section by section, compared with former legislation and decisions, Canadian, English, Irish and American are cited, in many instances with quotation of the important parts of the decision. The powers and operations of a bank and the proceedings to be taken when the bank becomes insolvent are all clearly explained—as also the function of the Canadian Bankers' Association and the Clearing House.

All the previous legislation on Currency was got out of the way in 1910 by the Act 9 & 10 Edw. VII, c. 14, but the law was substantially re-enacted by that statute. The Act with notes is next in Mr. Falconbridge's book.

But the most important part of the work, which takes up nearly one-half of the whole, deals with "Negotiable Instruments and the Bills of Exchange." The law governing these is the Act of 1890 (53 Vic., c. 33) with small amendments and it in turn was based in large measure on the English Bill of Exchange Act of 1882, and is substantially a codification of the previously existing law merchant on the subject.

The work before us contains a wealth of judicious comment and a well selected list of cases. The reviewer has tested a large number of citations and has not found any error. The Index is well done; and it is easy to find any particular subject desired. The paper is good (perhaps too heavy) and the printing and proof reading all that could be desired.

The work will prove of very great value to the Canadian lawyer and, at least, of much interest to the American.

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THE LAW OF BUILDING AND LOAN ASSOCIATIONS IN PENNSYLVANIA. Joseph H. Sundheim. Philadelphia: Smith-Edwards Company, 1913.

Although building and loan associations are of ancient origin, there being traces of ancient Chinese societies, they have been developed to the highest degree in this State, and have become distinctly a Pennsylvania institution. Since the first society in this country was organized in Philadelphia in 1831, their increase in numbers has been very rapid, with a correspondingly great growth in assets and importance; until today there are over sixteen hundred such associations in Pennsylvania, with assets of over two hundred million dollars, and more than half a million subscribers or shareholders. And the public is interested in these societies from a civic as well as a financial standpoint, for they have enabled many wage-earners to build and own their own homes. So there can be no doubt of the value of a discussion of the legal aspects and business methods of this important domestic institution.

In his short treatise, Mr. Sundheim has dealt with his subject in a manner well calculated to meet the needs of those interested in these associations, whether as shareholder, officer, or counsel; for his style is clear and the treatment not technical; yet the author has not sacrificed accuracy for simplicity. The principal phases of the organization and management of these saving societies are discussed in separate chapters—such as their formation; the stock and its maturity; the duties and liabilities of members and officers, *etc.*—so the reader can easily get the information desired by consulting the contents by chapters, or in greater detail in the accurate index.

In the Appendix are given the Pennsylvania Acts of Assembly relating to building and loan associations, but it is unfortunate that the author did not digest these acts, or give topical heads thereto. The Appendix also contains a set of by-laws, and the legal forms most frequently used in the conduct of the business, which should be useful to the organizers of such companies.

*C. L. M.*