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HIGH COURT OF JUSTICE.

BOYD, C.

FEBRUARY 5TH, 1910.

RE CLINTON THRESHER CO.

Company—Winding-up—Preferred Claims of Lien-holders—Mechanics' Lien Act—Liens Existing but not Registered until after Commencement of Winding-up.

Appeal by the liquidator from the report of the local Master at Goderich, in a winding-up, allowing preferential claims upon the assets of the company of certain holders of mechanics' liens.

J. F. Boland, for the liquidator.

W. Proudfoot, K.C., for the directors of the company.

W. Brydone, for shareholders and certain lien-holders.

C. Garrow, for Drummond McCall & Co., lien-holders.

G. W. Mason, for the A. R. Williams Machinery Co., lien-holders.

BOYD, C.:—The scheme of the present Act is that the lien arises or is created by the doing of the work or the supply of the materials: sec. 4.

This lien so existing may be registered, and this registration gives the lien-holder the status of a purchaser pro tanto and the protection of the Registry Act, but it adds nothing to his lien as between him and the owner: secs. 17 and 21.

The lien may not be registered and is good for 30 days after the completion of the work, but, if not prosecuted by action within that period (under sec. 23), it ceases to exist.

Mr. Holmsted's comment on the Act is terse and accurate: "The commencement of the lien is coincident with the commencement of the work." Act, ed. 1899, p. 34. And this is stated as the law by Osler, J.A., in *McNamara v. Kirkland*, 18 A. R. 276