

blame upon the defendants, and to recover damages from them.

The case presents difficulty both as to liability of defendants, and if liable, as to the amount, and as to the proper measure of damages. It is of importance to know that up to the end of the season of 1910 the plaintiffs' company had not been a money-maker. The company had gone behind in the whole \$23,588.31, and the defendants are not charged with being responsible for any part of that large loss. At the beginning of the season of 1911 there was a discussion in regard to a pier in the river, and in regard to repair of a dock at Fort Frances.

This is not material only so far as the correspondence speaks of the water in the river. On the 1st June, 1911, the president of plaintiff company wrote to the president of the Minnesota and Ontario Power Company as follows: "Our first steamer leaves Kenora June 17th, and the "Agwinde" will leave Rainy River June 18th. We understand you make a practice of closing off the natural flow of the river at any time it suits you, for the purpose of producing power. This, of course, is to the great detriment of navigation, and this company now protest against the natural flow of the river being interfered with by your companies, and should you persist in doing so we shall hold your companies responsible for any damage we may sustain. Kindly acknowledge receipt and oblige."

The president of defendant Minnesota and Ontario Power Company wrote on the 2nd June, not in reply to the last mentioned letter, but in reply to some former letter, not put in, but in this letter of 2nd June it is stated "Unless we have heavy rains it looks to me as if a gasoline launch is as large a boat as can navigate to advantage in Rainy River."

The plaintiffs' president replied on 5th June: "Your favour of 2nd instant at hand. Note what you say about navigation on the Rainy River. We have a plant that will enable us, if the natural flow the river is not interfered with, to navigate the Rainy River."

On the 9th June the president of defendant company wrote in part as follows:

"Your letter of June 1st, and two letters of the 5th, are duly received, and noted. The tone of your letters does not ring like that of a broad-gauged business man. Anyone reading them would draw the conclusion that you expected to make it as disagreeable for the power company as possible.