

formed no part of the balance carried into the following year, upon which interest was computed. The appeal failed on this ground also. The third ground was that the insurance moneys should have been dealt with as provided in a certain agreement of 1905. The Chief Justice said that apparently what was aimed at was that, if the property were sold in manner provided for in the agreement, and if the defendant, after such sale, should receive any insurance moneys to which up to that time he might be entitled, then he should expend them, first, in payment of the costs of the sale, and then on account of the mortgage debt. No sale, however, was effected, and therefore the clause controlling the application of the insurance money never became operative. The question was, whether the defendant was entitled to charge as part of his mortgage debt the cost of rebuilding. It was admitted that the defendant rebuilt in the honest belief that the land was his own, and he was, therefore, entitled to the protection afforded by the Law and Transfer of Property Act, R.S.O. 1897 ch. 119, sec. 30, which gave him a lien on the lands for the enhanced value caused by his expenditure. The defendant's evidence, which was not contradicted, shewed that the value of the premises was enhanced by the lasting improvements thus placed upon them by the defendant to the amount of the expenditure charged. He was, therefore, entitled to a lien in respect of such expenditure, and the Master was right in so finding. All grounds of appeal failed, and the appeal should be dismissed with costs. Shirley Denison, K.C., for the plaintiff. J. M. Pike, K.C., for the defendant.

RE WALKERTON AND LUCKNOW R.W. CO. AND PUBLIC SCHOOL
SECTION NO. 9, GLENELG—RIDDELL, J., IN CHAMBERS—
DEC. 21.

Public Schools—Sale of Land by School Board to Railway Company—Order Authorising—R.S.C. 1906 ch. 37, sec. 184.]— Application by the railway company and the Board of School Trustees for an order giving the Board power to sell, grant, and convey part of their lands to the railway company, the Board having passed a resolution approving of the sale at \$400. The application was made under sec. 184 of the Railway Act, R.S.C. 1906 ch. 37. RIDDELL, J., said that it had become unnecessary for him to consider ab origine the necessity or propriety of such an order, FALCONBRIDGE, C.J.K.B., having, on the 1st June, 1909,