
REPORTS AND NOTES OF CASES.

Dominion of Canada.

SUPREME COURT.

Exch. Court.]

[November 2.

THE KING v. ST. CATHARINES HYDRAULIC CO.

Lease—Covenant for renewal—Construction.

A lease for twenty-one years, made in 1851, of mill-races and lands on the old Welland Canal contained the following covenant: "After the end of 21 years, as aforesaid, if the said (lessors) shall or do not continue the lease of the said water and works to the said parties of the second part or their assigns," they would pay for improvements. After the expiration of the lease, in 1872, the lessees remained in possession and in 1880 they asked for a new lease "with trifling alterations," but were informed that their application could not be considered until the nature of the alterations was submitted. Nothing further was done, and on the expiration of a second term of 21 years the lessors resumed possession of the premises. The lessees filed a petition of right claiming compensation for improvements.

Held, that, the lessees were entitled to a renewal of the original term but not to a renewed lease containing the above covenant; that they were entitled to renewal or compensation; that their occupancy during the second period constituted a renewal, having obtained which their right to compensation was gone. Appeal allowed with costs.

Dewart, K.C., for appellant. *Mowat*, K.C., for respondent. *Collier*, K.C., for sub-lessees.

Man.]

[November 2.

DOMINION FISH CO. v. ISBESTER.

Negligence—Ship on fire—Injury to passenger.

A ship lying at her dock caught fire during the night and was destroyed. The officers of the ship failed to arouse passengers asleep in the cabins in time to permit them to escape in safety and, in an action to recover damages for injuries sustained in consequence by one of the passengers the owners adduced no evidence to explain the origin of the fire.