

IMPORTANT DECISION

Sugar Worker's Case

Mills Lien v. Wages Claim

A case of considerable interest to workers in the sugar industry was heard recently at Mackay before M. Gallagher, P.M.

In this case, Gregory Chierness, of Farleigh, a farmer, proceeded against the Farleigh Co-operative Sugar Milling Association, claiming that they held a lien on his behalf executed on February 22, 1930.

W. A. Amiet, who appeared for the plaintiff, stated that Mrs. Vera Platonoff supplied cane to Farleigh mill in the 1930 crushing season. In the latter half of 1929, plaintiff had worked for Mrs. Platonoff, and earned wages amounting to £58 5s. 7d. Subsequently plaintiff obtained judgment for this amount in the Industrial Magistrate's Court and took a lien on the crop for 1930 in satisfaction of the judgment debt. After registration of the lien, A. Gardner, A.W.U. organiser—acting as plaintiff's agent—sent a letter to this effect to the mill, which acknowledged its receipt, stating: "Lien will be protected as usual." In the 1930 crushing season, cane to the value of £398 2s. was taken off Mrs. Platonoff's farm. Of this amount about £96 was paid in wages, and about £65 for various deductions and levies, making in all £162 3s. 4d. for expenses incurred in harvesting. At the end of the season, Chierness instituted garnishee proceedings against the mill to collect the amount of his judgment debt. The mill claimed that it did not owe Mrs. Platonoff any money, as Mrs. Platonoff owed it about £250, and that money was held to offset this claim. Garnishee proceedings were withdrawn, and this action instituted. It turned out that there were other liens in connection with the crop.

Continuing, Amiet said that several vital questions were in issue, the answers to which would affect the validity of hundreds of liens now in existence. Must the "bona fide advance" referred to in the Mercantile Act be a present advance, or was it an "advance" if you told a man he could continue

if you told a man he could continue to owe you money, such as wages, which he already owed? He quoted authority to show that a "loan" included a continuance of a past debt. Secondly, was a "second lien" a valueless document? He argued it was a perfectly valid security, which came into full force the moment the oper-

ation of the first lien was exhausted. Thirdly, what was the meaning of "the crop of this year growing" on such and such land? He submitted it meant the "calendar" year, and not "the period of twelve months from date of lien." Again, what right had the mill to pay wages, levies, and other deductions without reference to the lienee? The mill had no right to take the law into its own hands and pay these wages.

J. Condie, for defendants, claimed that the mill did not owe Mrs. Platonoff any money, but that she, instead, owed it £250, and that the money was held to offset this claim. He argued that the lien was not good and valid, as it was not given for a bona fide advance in money or goods. If it was claimed that the performance of the work was an "advance equivalent to money," then it was not made or performed "on condition of receiving security." Even if the lien was valid, the lienee must establish his priority.

The magistrate, in a deferred judgment, held that the agreement between Mrs. Platonoff and the plaintiff was not valid as a crop lien, and that the mill was entitled as against the plaintiff to set off the whole or any part of the net yield of the crop against the amount owing by Mrs. Platonoff to the mill. The agreement between Chierness and Mrs. Platonoff, however, was good as attached to the crop when severed or its proceeds from the hands of defendant.