assignee of part damages for the breach of contract. In Young *v.* Kithchin (L.R. 3 Ex. Div. 127), cited in the judgment in the Newfoundland case, the assignee of money due under a building contract was so far affected by a breach of the contract before the assignment that he had to submit to a deduction for damages for the breach. In *In re* Roundwood Colliery Company (66 L.J. Ch. 195) debenture-holders were held to be affected by a special agreement entered into by the Company before the issue of the debentures affecting part of the security. There can be no doubt that the consideration given and agreed to be given to the Company was not for the construction of parts of the line, but the whole: the inducement to the Government to enter into the contract was the agreement by the Company to complete the whole and to work it. The right of the Government to complete the whole if the Company failed to do so was an important part of the consideration inducing the Government to enter into the contract with the Company, under whom the debenture-holders do undoubtedly claim, although the debenture-holders' rights are in some respects defined and secured to them by the statutes as well as by the contract. The contention made on behalf of the debenture-holders is that not only can the Court order a sale of the completed part in one lot, but that it might do so in several lots, and that a purchaser at the judicial sale of the whole completed part, or the several purchasers of the several parts, would be under no obligation to keep the line open for traffic, but that even the rails might be detached and sold; that, in short, the purchaser or purchasers would take what they purchased subject to none of the obligations imposed on the Company, and this notwithstanding that the Company had received a substantial part of the consideration in land-grants. It seems to me only necessary to state this contention in order to show how untenable is the whole case made on behalf of the debenture-holders.

In Redfield *v.* The Corporation of Wickham (L.R. 13 A.C. 467) their Lordships held that, as under the Act of the local Legislature provision was made for empowering assignees of a recognised section of a railway obtaining powers to work the assigned section, such a section could be seized in execution; but, nevertheless, referring to these legislative provisions, it is said, "They (the enactments) do not suggest that, according to the policy of the Canadian law, a statutory railway undertaking can be disintegrated by piecemeal sales at the instance of judgment creditors, or contractors, or encumbrancers." It may be that, as the Act of 1881 expressly permits the lease, sale, or parting with the railway, the railway as a whole—the whole undertaking—might be sold, and the principle in Gardner *v.* The London, Chatham, and Dover Railway Company (L.R. 2 Ch. App. 201) may not apply to the present railway as a whole. In the judgment in Redfield *v.* The Corporation of Wickham it was, I think, the opinion of their Lordships that but for the local legislation making provision as to recognised sections inconsistent with the principle in Gardner *v.* The London, Chatham, and Dover Railway, that principle would, as contended by the unsuccessful appellant in Redfield *v.* The Corporation of Wickham, have been held applicable. In Grey and Another *v.* The Manitoba and North-western Railway (66 L.J. P.C. 16) it was also held that, though a recognised division of the railway could be the subject of a judicial sale at the instance of mortgagees, yet such division could not itself be disintegrated. In the present case there is, I think, in the Acts no recognition of "sections," certainly none of the completed portion as a section. A question might perhaps have arisen as to whether the line from Brunner to Foxhill might not be treated as a line separate from that from Brunner to Springfield, for the interpretation of the term "railway" in the contract speaks of several lines. However, that question does not arise, and the interpretation is certainly inconsistent with the provisions of the contract and the Acts of 1881 and 1884.

In my opinion, the introduction of the words "or any part thereof" (meaning of the railway) in section 17 of the Act of 1884 are without significance; at any rate, there is nothing in the Acts or contract giving these words the important significance contended for, which is no less than that, contrary to all principles, the railway could at the instance of the debenture-holders be disintegrated. As to the construction of the words "or any part thereof" in paragraph 43 of the