er's attention to some of the very recent cases resulting from the war, but nevertheless developing a permanent principle of law. We propose to deal with such of these cases as treat of the effect of impossibility of performance on the rights of parties to contracts. Such cases are both of temporary and of permanent importance.

It is, of course, within common experience that the performance of contracts is being frequently interfered with in one way or another. The chief source—and, indeed, an increasingly frequent source—of interference is by Government departments and similar authorities under statutory powers. This interference may have any one of three results on a subsisting contract. It may disturb the parties in their dealings while leaving the contract on foot and their legal rights unaffected. Secondly, it may put an abrupt end to the contract. Thirdly, it may suspend the performance of the contract. With the first of these results we need not deal. Contractual relationships remain intact. Only a practical inconvenience is caused. It is to the second and third we propose that we shall call the reader's attention. We must review as briefly as possible the former authorities on this matter—the effect of unforeseen circumstances rendering performance impossible.

The root principle would appear to be this—that every contract must be performed. If a contract cannot be performed for some unforeseen reason, then the contract fails and the parties are discharged. Observe the inconsistency between these two statements. Yet these two statements seem fully justified by the authorities. They must be harmonized, and to bridge that difficulty the Courts have from time to time had recourse to divers doctrines. In support of the first principle—the root principle as we have called it—we may refer the reader to the well-known statement that a man must either perform his contract or pay damages for not performing it. "There seems to be no doubt," said Lord Blackburn in *Taylor* v. *Caldwell* ((1863), 3 B. & S. 826, at p. 833), "that where there is a positive