

Mr. Henry Langley, in a pamphlet entitled "An Equitable Consideration of Renewable Leases," places the average life of a building at thirty-two years. On this point he says:

"From very elaborate returns obtained thirteen years ago in the United States (and the conditions are analagous here), the most durable portions of such buildings have a life of sixty-six years, while other portions have to be renewed every six years; but, taken altogether in their proper proportions, the average life is thirty-two years; so that, in addition to ordinary repairs, a yearly sum has to be laid by equal to about a sixty-fifth part of the original cost wherewith to replace the original building when worn out or become effete in style."

The same writer also calls attention to another generally-ignored fact, which has a most important bearing upon the principle which many arbitrators seem to have taken for granted, that, whoever loses, ground landlords have a paramount right to receive, under any circumstances, four or five per cent. upon the assumed value of the land.

"Another consideration in connection with capital," he says, "is the very marked decline in the rate of interest on investments during the last fifteen years, owing to the immense accumulation of capital throughout the world and its rapid attraction to America. Fifteen years ago, eight and one-half to nine per cent. was no uncommon rate for loans in Toronto on good properties, while now they are being made at five per cent., a falling off in that period of nearly one-half. This, it is believed, is likely to go on as capital is accumulating at an accelerating pace, so that, in all probability, permanent investments will before long be made here at three per cent. Moneyed people in the United States are at the present time glad to invest large sums in United States and New York State bonds, bearing not more than two per cent. interest."

If the per-centage principle is to be the basis of determining the landlord's share of the receipts of the joint property, there is certainly no shadow of excuse for maintaining the rate at five per cent., in view of the general decrease in interest on all reasonably secure investments. But, in any case, the principle is—as will be realized from the foregoing considerations—an unfair and one-sided one, characterized by partiality towards the party least entitled to any special consideration.

The abuses to which the arbitration system in the renewal of leases have given rise, call loudly for legislative action. A clearer case, in which it became the duty of the Government to interfere for the protection of a large class of the most enterprising, worthy and public-spirited citizens suffering from a manifest defect in the law, caused by the rapid development of new conditions which our legal system has not as yet taken into account, has never been presented.