twenty-one years, from Rev. Edmund Baldwin, Canon of St. James' Cathedral. The rental was fixed at $1,089, and the lessee covenanted to erect new buildings at a value of not less than $8,000. The lease contained the usual covenant for renewal for a further term, at a rent to be fixed by the award of three arbitrators, chosen in the customary manner, in case the parties could not otherwise agree as to the amount. On the expiration of the lease in 1893, an arbitration was undertaken, the result of which stands conspicuous in the list of scandalous leasehold awards for its violation of every principle of justice and commonsense. It has probably—and with reason—excited more adverse comment and done more to direct attention to the wrong and absurdity of the system than any other case of the kind. The arbitrator appointed on behalf of Mrs. Baldwin, who then held the title to the freehold under the will of her deceased husband, was Hon. Samuel Casey Wood, Manager of the Freehold Loan and Savings Company; the lessee was represented by Mr. Robert Jaffray, and the third arbitrator was Mr. T. D. Delamere, Q.C.

As a guide for the action of the arbitrators, the arbitration clause of the lease expressly stipulated that the rent was to be fixed "according to the *then* value of the premises, apart from the buildings thereon erected." Such a provision could only have one meaning. Its clear and manifest intention was that the earning power of the land as a building site at the time of the arbitration—*i.e.*, a due proportion of what the land with buildings suitable to the location would actually yield in rent—should be taken as the standard. So far as the suitability of the buildings was concerned, the lessor had himself laid down the criterion in fixing the value of the buildings which the tenant was bound to erect at $8,000.

Under these circumstances, the duty of the arbitrators was simply to enquire as to the actual receipts of the property—"the then value of the premises"—and to fairly and justly apportion the amount between the land and buildings. What they actually did, however, was to utterly ignore the plain and explicit words of the arbitration clause of the lease, and to base their decision upon the biased statements of a long array of real estate boomsters and professional experts, based upon the speculative values at which property in the neighborhood had changed hands. Testimony in abundance was produced to show the earning value of the property; but, notwithstanding that many who gave such evidence were themselves extensive land-owners, whose interests were all in favor of maintaining high prices, their opinions carried no weight with the arbitrators. In fact, the matter was not considered from the point of view of the earning capacity of the property at all. The whole gist of the claim of the landlord, and the whole force of the expert testimony advanced in favor of an increase, were based upon an assumed value, having no appre-