RATING OF CONCRETE RISKS.

Causes of High Rates—Average Cost of Insurance on Reinforced Concrete Buildings With Sprinkler Equipment.

The result of study of the reports from owners of concrete buildings and further investigation led the committee on Insurance of the National Association of Cement Users, to the following conclusions regarding rating of concrete risks:

No Definite Established Rates.—There are no definite rates which can be considered base rates for any fireproof structures, either concrete or fireproof steel frame.

More Interest in Concrete Buildings by Insurance Companies.—The Insurance Rating Associations have shown a decided increase in interest in reinforced concrete construction during the year.

Present Rates too High.—Members of the committee are unanimous in the opinion that in the majority of cases the owners of concrete buildings reported are paying too high a rate, because of the lack of knowledge on the part of the owner of methods of securing lower rates.

The committee advises the owners of concrete buildings to study this annual excess charge from the standpoint of elimination of waste with the same diligence that they are now studying the elimination of waste in manufacturing.

Lack of Proper Installation.

Cause of High Rates.—The main cause for the high rates reported is the lack of proper installation of recognized fire prevention equipment, together with the lack of information on the part of the owner regarding the construction details, in advance of making his investment: that is, the owners have not equipped their buildings in accordance with the best known practice conducive to low rates of insurance.

Effect of Competition in Rates.—Rates have been low where buildings are acceptable in both stock companies and mutual companies.

New Risks Acceptable to the Mutual Companies.—Mutual companies have accepted risks in congested portions of cities, which would not have been acceptable had the buildings not been of reinforced concrete construction.

Important Details Affecting Rates.

The following list of details of construction have been most emphasized by the rating associations, and should be investigated by owners before letting contracts for buildings where the cost of insurance plays an important part in the investment:

1. Sprinkler equipment with ample water supply.
2. Water tight floors with proper drains or scuppers and vertical openings guarded by automatic closing devices.
3. Proper cut-off walls with automatic closing doors and automatic fireproof windows. (Size of divisions of the building to depend on the inflammability of the contents.)
4. Notification systems for out-break of fires.
5. Fire-fighting apparatus independent of city or town fire departments.
6. Stair and elevator wells properly cut off by automatic closing doors and fireproof apparatus.
7. In addition to the above details, a typical rating slip gives some 50 items of equipment, construction or management, any or all of which affect the rate obtainable.

Re-adjustment of Rates Based on Standard Practice.

The committee feels that there is a demand for preliminary information regarding insurance rates on proposed buildings, and that if by co-operation between the members of this association and the different rating associations, approximate estimates of the rates obtainable for a given building, depending on the class of construction adopted, can be secured, often better buildings will result than is at present the case.

Frequently ultimate cost (varying with the insurance interest and depreciation charges) is more important than initial cost, which means poor construction.

The members of this association should unite on a definite plea for a new classification, with an accompanying re-adjustment of insurance rates by all the rating associations of the United States. As a step towards attaining this end the committee recommends that the following standards of practice should be persistently advocated.

1. Standard No. 4 of this association, entitled Standard Building Regulations for the Use of Reinforced Concrete: Standard No. 7 entitled Recommended Practice. Report of Committee on Reinforced Concrete; Report of the Joint of practice should be persistently advocated.
2. Use of standard fireproof equipment in all concrete buildings. This will avoid the common error of assuming that the insurance rates will be low because the building is fireproof, regardless, however, of the important details covering the protection of its contents.
3. Get the approval of the insurance rating associations of the plans for proposed buildings before contracts are awarded, and wherever possible secure competition between the stock and mutual companies.

Some Interesting Figures.

Average Cost of Insurance on Reinforced Concrete Buildings and Contents with Sprinkler Equipment.

Agricultural implement factories	$ .06
Automobile factories	.45
*Bakeries	.07
*Clothing factories	.06
Lithographing and printing establishments	.055
Machine shops	.04
*Metal-working plants, without sprinklers	.06
Rubber factories	.055
Shoe factories	.05
Textile mills	.05
Tobacco factories	.06
Wood-working plants	.07

Under this type of construction the insurance may be accepted not only at a lower rate, but under a considerable less valuation, probably resulting as a whole in reducing the cost of the insurance from 40 to 50 per cent. over the ordinary type of factory and warehouse buildings.

*Risks not ordinarily open to competitive rates unless of superior construction.

SIR EDMUND WALKER ON PROPOSED CENTRAL BANK.

Commenting on the idea of a central bank for the United States, Sir Edmund Walker in an interview at New York said:—

"Such a central bank as I have heard outlined," said Sir Edmund, "is really nothing but a gigantic clearing house. It would do no business with the public, but with banks only. Most of its business would be done during times of financial stringency and at other times it would be practically idle.

"The Bank of England and the Bank of France are ideal institutions in their way, but they do a vast private business, as well as a Government business, and they do a lot of business that they handle without making money. The Bank of France will lend as small a sum as $10. Such a central bank as is proposed is not a place where one great concern might go in necessity and borrow a million dollars. That is what I think is needed here."

The Canadian Bank of Commerce will open a new branch at East Calgary.

SCIENCE ON THE FARM PAYS WELL.

Comparison of Crop Yields For 1910.

Crop.	Yield per Acre, Macdonald Col. Farm.	Yield per Acre, Canada.	Yield per Acre, Quebec.	Yield per Acre, Ontario.
	Tons. Lbs.	Tons. Lbs.	Tons. Lbs.	Tons. Lbs.
Hay ...	4 984	1 1,640	1 1,560	1 1,680
	Bu. Lbs.	Bu. Lbs.	Bu. Lbs.	Bu. Lbs.
Oats ..	56 17	32 27	29 22	39 13
Barley .	46 13	24 30	24 2	29 36
Roots ..	1,000 23	402 20	324 30	426 54
	Tons. Lbs.	Tons. Lbs.	Tons. Lbs.	Tons. Lbs.
Corn ..	18 657	9 760	9 240	9 800

Comparison of Values of Crops.

What They Are—What They Might Be.

Crop.	Value of 1910 crops of Canada, according to Census Bulletin.	Value of crops of Canada if the yield had been equal to those on Macdonald College Farm.
Hay and Clover ..	$149,716,000	$374,290,000
Oats	114,365,000	197,000,000
Barley	21,400,300	40,277,000
Roots	21,444,000	53,823,000
Corn	11,957,000	24,000,000
	$318,882,300	$689,390,000