

point, the secretary of the association stated that the output of iron and steel in most countries, including Great Britain, reached figures that had not been touched in any previous year. The exports of iron and steel, like the output of those metals, attained an exceptional, if not a record volume. He pointed out that the iron trade of the United Kingdom has exhibited a recuperative force, an elasticity and an adaptability that were hardly deemed possible a few years ago, when shrewd observers, including Mr. Andrew Carnegie, had been rash enough to hazard the expression of a belief that Great Britain's iron industry had passed its meridian and was likely in the future to diminish rather than to increase. British production of iron and steel in 1906, in all forms, was probably of the value of fully 160 millions sterling. The exports of iron and iron products, as set out in the Board of Trade returns, have been of the value of over 90.8 millions sterling. Corresponding imports of iron and iron products have been over 20.3 millions sterling. The increased value of imports and exports under both heads, and including imported ores, was not less than 20.6 millions sterling. These figures briefly summarize a situation that is not one of decline.

In the following table is given a statement in tons of the world's production of pig iron and steel during the year.

	Pig Iron.	Steel.
United Kingdom	19,149,388	6,462,274
United States	25,307,191	23,246,251
Germany	12,478,968	11,135,985
Belgium	1,431,460	*
France	3,319,932	2,240,284
Spain	*	*
Sweden	596,400	388,000

*Figures not yet published.

A growing preference for the open hearth over the Bessemer process is indicated by the detailed figures of production during 1906.

How to Read a Prospectus.

The June issue of the Financial Review of Reviews of London, contains an article on: How to read a Prospectus, the careful perusal of which should be of service even to investors of considerable experience. There are few investors, the article begins by saying, over whom a prospectus does not exercise a certain amount of fascination, due in part to the fact that every investor does occasionally scan lists of security quotations, where there are various conspicuous examples of stocks which stand at a range of quotations much higher than the prices at which they were originally issued. But the investor should school himself to remember that in such a list he is surveying not a fair average of company-promoting results, but rather the healthy concerns which have survived the ordeals of financial childhood, and have grown to maturity. Against these comparatively robust survivors, he should make due allowance for the large number of concerns which sickened and died in their early

youth, and whose records have perished with them. The analysis of prospectuses, therefore, is well worth attention, and the article proceeds by specific illustrations to make clear certain important points which should be carefully looked to in the perusal of any company literature. One general principal is especially emphasized: when dealing with any prospectus it is always important to take note of the exact form in which the promoters of the concern are content to interest themselves in the company's future.

The Finances of Canada.

The Finance Department at Ottawa is now closing up its accounts for the financial year ended March 31st, and it is anticipated that the final showing will give a surplus on the consolidated fund of about \$16,500,000, and a debt reduction of \$3,500,000.

The department's current statement shows that the revenue collected for the nine months of the fiscal period ending March 31 last, now amounts to \$67,701,005, while the expenditures for the same period amounted at the end of May to \$51,182,056, leaving a surplus of revenue over expenditures of \$16,518,949. Some accounts, however, have not yet been settled. The expenditure on capital account is \$14,238,491, which leaves a surplus over all the expenditures of \$2,280,458.

For April and May of this year the revenue is placed at \$15,120,507, the May account showing \$8,293,368. For May 1906 the revenue was \$7,203,853, and for May 1905, \$6,193,817.

The expenditure on consolidated fund during May 1907 was \$3,102,147, and the expenditure on capital account \$805,681. The net debt on May 31 stood at \$252,809,564, an increase in the month of \$2,209,903.

May Fire Losses.

The fire loss of the United States and Canada for the month of May, as compiled by the New York Journal of Commerce, shows a total of \$16,286,300. The following table shows a comparison by months of the losses this year with 1905 and 1906:

	1905.	1906.	1907.
January	\$16,378,100	\$17,723,800	\$24,064,000
February	25,591,000	18,249,350	19,876,000
March	14,751,400	18,727,750	20,559,700
April	11,901,350	292,501,150	21,925,900
May	12,736,250	16,512,850	16,286,300
Total, 5 months	\$81,358,100	\$363,714,900	\$102,712,500
June	11,789,800	13,950,650
July	13,173,250	12,428,650
August	11,435,600	9,641,600
September	13,715,250	10,852,550
October	12,267,000	13,872,450
November	16,178,200	16,248,350
December	15,276,600	19,001,450
Total, 12 months	\$175,193,800	\$452,710,000

There were during the month 349 fires where the loss reached or exceeded \$10,000 in each instance. The losses of 1907 have been heavier than normal, and it is clear that the fire underwriters generally have not had a profitable experience so far.