

MEXICAN NORTHERN POWER CO.

An announcement was made on Tuesday the 24th. that the Mexican Northern Power Company had defaulted on its bond interest, which falls due on July 1st. This action was expected owing to the troublesome times in Northern Mexico, which have extended over the last two or three years. This has paralyzed business in the territories tributary to the Mexican Northern Company's plant, and the directors have deemed it wise to make no payment of bond interests at the present time.

The Mexican Northern Power Company, Limited, was incorporated a few years ago with an authorized capitalization of \$15,000,000. of which \$12,600,000 was subscribed in paid-up and a bond issue of \$10,000,000, the whole of which was issued. The bonds which bear five per cent., are due on the 1st. of January, 1939. The bond interest calls for an annual outlay of \$500,000. The Mexican Northern Power Company have had a somewhat checkered career. About a year ago, changes took place in the directorate of the Company, Mr. G. F. Greenwood the former President, being replaced by Mr. D. E. Thompson, K.C., of Toronto. A number of the other men who were on the Board, were replaced by new interests and a more aggressive policy adopted. Unfortunately for the success of the Company, this was interrupted by the Mexican revolutions, with the result that the bond interest due the 1st. of July, has been passed.

PAPER MERGER.

Arrangements for the amalgamation of the Spanish River Pulp and Paper Mills, Limited, and the Lake Superior Paper Company, Limited, are well under way, and a general announcement regarding the deal may be expected at any time.

The Lake Superior Company have already approved of the scheme, and it is said that the London interests back of the Spanish River Company, also favor the project. Mr. Garnet P. Grant of the Dominion Bond Company, who was largely responsible for the reorganization of the Spanish River Company, is now in London in connection with the project.

The Spanish River Pulp & Paper Company was re-organized a short time ago, and a little later on absorbed the Ontario Pulp & Paper Company. Its capitalization follows:

Common Stock.....	\$3,000,000
Preferred Stock.....	3,000,000
Bonds.....	2,500,000

The Lake Superior Company has \$4,000,000 common stock, \$1,575,000 preferred and \$3,999,320 of bonds. Should the combination go through, the amalgamated mills will be the largest of its kind in the the Dominion. The Spanish River and Ontario Companies have valuable pulp areas along the Spanish River, and are advantageously situated for marketing their product. The Lake Superior Corporation at the "Soo" has sulphite, ground-wood and news mills. It has valuable power rights and extensive pulp areas. It is also favorably situated in its relation to the American market. The following are the directorates of the two companies:

The Lake Superior: Messrs. H. E. Talbott of Sault Ste. Marie, President and George H. Mead of Sault Ste. Marie, Vice-President; Capitan D. C. Newton, of Montreal W. K. Wickham, London, England, J. F. Taylor, Sault Ste. Marie and W. E. Stavert of Montreal.

The Spanish River: Messrs. G. P. Grant, President; T. H. Watson, Vice-President; T. H. Sheppard, R. A. Lyon; A. H. B. Mackenzie, R. L. Innes and Jas Bicknell.

UNION LIFE AFFAIRS.

The Union Life Assurance Company which has been in financial difficulties for some time is being wound up by Mr. W. Fitzgerald, Superintendent of Insurance for the Dominion Government. The Union Life has been in the limelight for some time, and its failure was not unexpected by insurance men and business men generally. The Metropolitan Life Assurance Company of New York, one of the strongest companies on the continent, has made an offer to reinsure the policy holders of the Union Life, and if this is done, will take over the liabilities and assets of the Union Life. This Company has some 150,000 policy holders, who will be saved any loss if the offer of the Metropolitan Life is accepted. The Company have already lost its paid-up capital and a part of its reserve, and has been running behind at the rate of from \$15,000 to \$20,000 a month.

Over a year ago the company was notified by the insurance department of the Dominion Government to replace certain loans and investments made two years previously and amounting to more than half a million dollars, and to cut down expenses. During the past year the license of the company has been renewed from month to month only. The license was discontinued on May 1 last, since which date the company has been unlicensed.

Mr. Fitzgerald, superintendent of insurance, estimates that the entire capital of the company and a portion of its reserves against liabilities have been wiped out.

The insurance business carried on by the company is what is known as industrial, the policy holders paying five or ten cents a week. The cost of carrying on such a business and making the collections is very great, and a considerable portion of the company's capital has been lost owing to this

The following are some of the chief facts in regard to the Union Life as shown by the abstract on life insurance for the year 1912:

Premiums for the year—Ordinary.....	\$119,538
Industrial.....	596,588
Number of policies new and taken up,.....	108,747
Amount of policies new and taken up.....	\$21,590,944
Number of policies in force.....	149,654
Net amount in force.....	\$22,914,402
Unsettled claims, Not registered.....	10,730
" " Registered.....	133

The Union Life as liquid assets of \$1,360,885. a capital stock paid up of \$742,705, and total liabilities including reserve, but not capital stock, of \$1,359,988. The surplus of assets over liabilities including capital stood at the end of 1912 at but \$995.92.

GREAT BRITAIN'S TRADE IN MAY

Imports and re-exports last month compare as follows with May, 1911, and 1913

	May, 1913.	Inc. or Dec. May, 1911	Compared with May 1912
	£	£	£
Imports.....	61,277,762	†7,345,670	†6,211,288
Exports.....	43,858,262	† 6,243,434	† 5,025,787
Re-exports.....	9,370,315	† 535,364	— 1,454,848
Total.....	114,506,339	†14,124,468	† 9,782,227