It is, of course, true that the world-wide financial stringency has had something to do with the lessening of Canada's importations. Our railroads, manufacturing concerns, industrial corporations and municipalities were unable to borrow as much money as they desired. This meant that they were forced "to cut their suit according to the cloth" or, in other words, spend less money than usual. This meant that as a people we were unable to purchase as many commodities as usual with the consequent result that our importations fell off. The favorable showing was also somewhat affected by the excellent crop with which Canada was blessed this year.

Canada's failure to go into liquidation as prescribed by her adverse critics will doubtless prove disconcerting to them. They had everything nicely figured out and conclusions reached which placed Canada among the dead or dying nations of the world. They did not reckon, however, with the virility and strength of this young country. Thanks to our excellent banking system which foresaw the financial stringency and prepared for it, and to a variety of other causes, Canada has weathered the financial gale with a minimum of loss and emerges to-day with flying colors. Even the one objection of possessing an adverse balance of trade has largely been removed and to-day Canada is paying her way through the exportation of her natural products.

UNION LIFE MISMANAGEMENT.

The investigation into the affairs of the Union Life ordered by the Minister of Finance reveals a sordid tale of mismanagement. Not only were the affairs of the Union Life bound up with the National Agency Company and hopelessly involved, but the investigation showed that the Union Life operated for the past ten years at a heavy loss. The wonder is that the Superintendent of Insurance should have allowed the company to continue in business as the most casual investigation of its affairs would have revealed many irregularities. It looks very much as if Canada needed to reorganize her Insurance Board and put men in charge of it who are thoroughly alive to the importance of supervising insurance companies.

Insurance companies and banks, or any other organization having to do with the people's savings, should be carefully inspected and the most rigid restrictions possible made and enforced. Apparently the very opposite of this took place in regard to the affairs of the Union Life. In the first place, the same Board of Directors managed the affairs of the Union Life and the National Agency. Business was conducted from the same office and one concern played into the hands of the other. The National Agency got in all subscriptions for the Union Life and sold it unlisted stocks and other securities worth little or nothing. It was also shown in the investigation that the Union Life falsified returns and in other ways carried on business contrary to law. The following table shows the operating loss of the Union Life for the past ten years:

	Loss on year's business.
1902	$ 64,530.44
1903	103,044.14
1904	112,815.62
1905	132,568,70
1906	113,484.55
1907	63,322.25
1908	66,822.10
1909	122,985.87
1910	160,595.22
1911	220,198.05
1912	292,640.81

It seems incredible that such a condition of affairs should have been allowed to continue for so many years and undoubtedly calls fo an investigation higher up. Unless the Insurance Department really supervises the affairs of Insurance companies, it would be better not to have such a department at all. Policyholders put their money into insurance companies in the expectation that their interests will be safeguarded by the authorities at Ottawa. In the case of the Union Life, officials of the concern wrecked the institution, practically without let or hindrance from the Insurance Department at Ottawa. Canada cannot afford to allow these conditions to continue.

THE BANK OF MONTREAL CHANGES.

The changes announced this week among the higher officials in the Bank of Montreal is of more than local interest. The Bank of Montreal is Canada's oldest and best known financial institution and the men who direct its affairs are international figures in the realm of finance.

Mr. R. B. Angus, who lays down the mantle of President, is one of the most outstanding figures in Canada. Mr. Angus came to this country when a young man after a short bank ing experience in Scotland. He immediately entered the Bank of Montreal and by dint of hard work, application and natural ability rose to the position of General Manager, subsequently being elected President, from which he now retires owing to advancing age. Mr. Angus is one of the few remaining links connecting the present generation with the dark and troublesome days following Confederation. He was largely instrumental in financing the construction of the Canadian Pacific Railway, being associated in this work with Lord Strathcona, Lord Mount Stephen, James J. Hill and the late James Kennedy of New York. Altogether Mr. Angus has been actively associated with the industrial and financial life of the Dominion for over half a century. During the recent long drawn out con-