United States. From the Motherland and the Republic capital will come in the years succeeding the war according to the Dominion's necessary requirements; and, needless to say, such investments will be welcomed. It is only natural, however, to expect that the Dominion will set its face against any policy of economic penetration that Germany may attempt on this side of the water. Whether the brutality and arrogance of the Central Powers will compel the Allies to create an economic combine against them, in self-defence, has yet to be determined; but it is evident that competition, in any event, will be keener after the war than has ever been experienced before.

Canadian and American manufacturers have yet a great deal to learn from Germany with regard to the efficient marketing of their products. And still in another particular, hardly less important, Germany had surpassed the world in the sphere of industry and commerce. Attention to detail had lifted German industry to a commanding position of world power; and it is that same attention to detail that has permitted the enemy to survive and, indeed, to achieve important results during the course of the present struggle.

It may be admitted that, in the great standardized industries of Canada and the United States, the main economies have been effected; but certain details in achieving economies have been overlooked—economies that may make all the difference between success and failure in the fierce competition that will ensue at the close of hostilities. Intensive cultivation achieved marvellous results in German agriculture; and intensive cultivation gave the key to success in German industry and commerce. It is wise to increase one's economic knowledge, even if the lesson be taught by the enemy.

It is patent that many small economies can be effected, both in shop and office—by the keeping of fewer and better records in the office, by the avoidance of duplication, and by so organizing the work that computations need not be undertaken again and again for the same kind of job. And in the shop, chemical analyses of metals will perform wonders in reducing the costs of manufacture; castings in the foundry may be made smaller and so require less finishing; designs and costs may be worked out with greater detail and care. The truth is that, in many Canadian and American plants priding themselves on their output, only the rudimentary work of organization has been carried on. Filing systems have become obsolete; there is unnecessary and wasteful shifting of men on jobs, the natural breaks in the work, at noon and morning, not being regarded; and, much more, there is no full utilization of machinery.

In many industries there is a "slack" season for both workers and machines, a slowing down in the process that makes for the waste of both capital and labor. By efficient planning it is often possible to carry over jobs for such slack periods, just as the progressive farmer makes work for rainy days. Some managers, in factories turning out standard products, install machinery with a view to its utilization in dull time on other types of work. This is important when markets are narrow for the main output. Moreover, by the use of high-speed tools, by reducing time wasted between jobs, by the full utilization of the equipment, important economies in labor may be achieved.

In other directions savings may be effected by careful inspection of the work turned out; by preventing waste of materials; by careful buying of stock, and the cutting of trade credits. Packages, barrels and boxes may be used a second time—there being at present useless waste in connection with the boxes required in the cigar and tobacco trade and elsewhere. When it is recalled that the Standard Oil Company manufactures 220 grades of kerosene, naphtha, benzine and gasolene from the residuum, and makes 994 different kinds of paraffins, waxes, greases and candles, it will be seen how vitally important are the use of by-products, and the elimination of wastes, for the success of modern industry.

HIGH INTEREST YIELDS

In last week's offering of city of Victoria ten-year bonds at a price to yield investors a full 7 per cent., the interest rate on security issues of large Canadian cities reached a new high spot. Prior to this, the highest yield obtainable on new issues of our leading cities was 6¾ per cent., which rate was first established by the last flotation of the Greater Winnipeg Water District. The city of Montreal loan placed recently by the Bank of Montreal gave a return of about 6½ per cent. A loan made a few months ago by the city of Lethbridge was offered to the public at 7⅛ per cent., but Lethbridge is one of the smaller cities and would not naturally command so favorable a rate as Montreal and Winnipeg. The interest rate on Ontario county bonds has not risen to the high levels reached by some of the large cities. Thus *The Monetary Times* last week announced the sale of $60,000 Essex County 6 per cent. 20-year bonds at 98.399; and of $50,000 County of Lincoln 5 per cent. 10-year bonds at 94.64. These were the prices paid by the bond dealers; and, obviously, the prices subsequently made by the dealers to their clients would not give yields as high as those referred to above. One reason for the lower interest on the county bonds is that their requirements are comparatively small—both of the issues here mentioned were considerably less than $100,000, whereas the city issues often run into the millions.

Even the lowest of these interest rates are decidedly attractive. Three or four years ago, an investor wishing to confine himself to first-class Ontario municipal bonds or farm mortgages, could not get more than, say, 5¼ per cent. on the mortgages and 4¾ or 5 per cent. on the municipals. The higher interest yields have been beneficial to the classes who are obliged to live on the interest of a limited capital, in cases where the parties can convert or invest their funds into the new issues. For example, a widow with the proceeds of a $10,000 life policy can now secure a yearly income of $700 from city bonds, as against an income of but $500 from the same class of investment procurable four years ago. Also, any one with fixed capital invested in bonds now maturing can convert the investments into new securities yielding better returns. But, of course, the man who has his funds tied up in stocks bought at pre-war prices and now quoted far below purchase price, or the man who has low-interest bearing bonds which do not mature for some time to come, cannot take advantage of the present opportunities to the same extent. For those who can take full advantage of them, the increased yields on high-class investments help materially to offset the rise in the cost of living. The exceptionally good returns on these investments should also have a tendency to promote thrift and economy among all classes. Under present conditions, every $1,000 saved represents an increased interest income of about $70 per year. A wage or salary earner, if able to put away $200 in a twelve-month period, can thereby give himself or herself an increase of a dollar a month. Steady repetition of that process soon begins to tell upon the income account, especially if supplemented by occasional increases of regular pay.