

Your Portrait—

A Gift that money can't buy, but for you to give—the very thing.

To friends and kinsfolk, your portrait at Christmas time will carry a message of the thoughtfulness that is next to a personal visit.

The Tomkinson Studio **South Porcupine**
PHOTOS TAKEN DAY OR NIGHT

WHY PAY RENT!

WHEN—In time of war there's great distress, And most folks cannot do their best; In Timmins Town there are good lots, For which warm buildings must be got; As winter's coming, now's the time For building houses, while it's warm; So start yours just when lumber's cheap, And do it now—before you sleep.

MATT BOIVIN

Opposite Ballgrounds. **W. Tie and Lumber Merchant.**
TIMMINS **PHONE 65**
All kinds of Dimension Timbers for Mines and Buildings.
Our Motto—'Nothing too Large, Nothing too Small'
Mills at Mattagami Landing. **Support Local Labor.**

Newton's Dining Hall

TIMMINS

Open From 5.45 to 8 p.m.

Call and Give us a Trial.

Board by Day, Week or Month

L. S. NEWTON. **PROPRIETOR**

Pitfalls Besetting Debenture Issues

MUNICIPAL FINANCE REQUIRES CARE IN HANDLING—BADLY DRAWN BY-LAWS CAUSE INCONVENIENCE AND LOSS—LAW MUST BE FOLLOWED MINUTELY—PREMIUMS AND DISCOUNTS SHOULD BE AVOIDED AS FAR AS POSSIBLE—BONDS CANNOT ISSUE FOR EVERY PURPOSE.

Not many years ago, one of the newer cities of the West embarked upon a program of improvements, essential to the health and well being of its citizens. Beyond a few thousand dollars borrowed during the village period, these works constituted the beginning of a bonded debt. A favorable market was found for the debentures, and the sale made. The closing formalities, however, revealed such flaws in the authorizing by-laws that the purchasers declined to complete the transaction, and the city found itself in the unpleasant position of construction begun but no available funds to pay for it beyond such accommodation as banks were willing to bestow. In the meantime the money market took a turn for the worse and two years elapsed before the bonds could again be offered and then were taken at a discount of over five per cent greater than the previous offer, or a loss of over \$30,000 on the total issue, due to inexperience and lack of foresight. This incident is related to show how important it is that no detail of law should be overlooked in the preparation and submission of money by-laws.

The position of city solicitor, even in the smallest municipalities is never a sinecure, and is too often rewarded by a mere pittance, out of all proportion to the labor and responsibility involved.

Legality Important Point.

Even when properly drawn, pitfalls have been known to intervene to endanger validity. Certain requirements regarding advertising are specific, and instances are known where bond issues have failed of approval because of innocent and technical infractions of the advertising rule. Any deviation from the letter of the law is almost sure to be detected prior to paying over the proceeds of the bonds. Every bond dealer, and every purchasing institution retains skilled legal advisers for this purpose, and it is necessary that they should. Investors seldom buy without a certificate of legality, and the slightest oversight is sufficient, oftentimes, to cause invalidation.

Third Reading Was Forgotten.

An instance is known where a loan

by-law, perfect as to legal structure, received its first and second reading by the council, was duly advertised, and submitted to the burgesses, receiving their unqualified approval. Tenders for the bonds were invited, an award made, and the debentures ordered engraved. The legal watchdogs then made the usual investigation on behalf of the purchasers, and found a fatal flaw. The council had omitted the formality of a third reading of the by-law. The matter was, of course, remedied, but it caused annoyance and delay, and perhaps financial loss. Approval by vote of the people does not enact. It simply grants permission to enact, and the third reading must be passed by the council, after the vote has been taken, to complete the validity of the by-law.

Bonds Not for Every Purpose.

It is a mistaken idea that bonds may be issued for any and every purpose. It is true, of course, that Provincial laws differ, and that what may be permitted in one province, may be denied in another. Special legislation, too, is often resorted to when original charter powers are found inadequate. There are some things however that even a generous legislature will not sanction. A few years ago a Western town hit upon a novel plan for meeting a current obligation. The semi-annual interest on outstanding bonds had accrued due, and rather than disturb the serenity of the citizens by levying the obligation, as should have been done, bonds were to be issued, and the proceeds used to liquidate the liability. Fortunately the town was not permitted to give effect to the plan and the possible injury to its credit was averted.

Convenience of Importance.

Apart from legal considerations, other points incident to a bond issue might be borne in mind with advantage. Odd figures are not welcomed either by the first purchaser or the ultimate investor. If an engineer estimates the cost of work at \$100,351, there is no good reason why the by-law should be prepared for an identical amount. Nobody wants the

odd bond for \$351. It becomes a nuisance at the start and remains a nuisance all through the bond period. It is also a bill of expense. The cost of engraving that single bond adds materially to the engraving cost of the total issue. Twice a year it demands attention through its little coupons, also in odd amounts. The paying bank dislikes it. The city treasurer and his staff learn to regard it with something akin to loathing. It causes unnecessary book-keeping, and destroys the roundness of annual estimates. Care should be taken therefore to avoid fractions of the bond denomination. It is better either to add or to take from as may be deemed expedient, to produce even figures. It will save money, and facilitate the work of the administration.

Quality of Certificate.

Some municipalities regard the quality of the certificate as a matter of secondary importance. This is a serious mistake. Just as a commercial house is likely to be judged by the stationery in use, so is a city likely to be judged by the quality of its bond. A few dollars saved by the use of inferior paper and cheap printing is evidence of a false economy. An attractive appearance is a selling point, sentimental, perhaps, but nevertheless effective. The dignity of a city is represented by its bond, and a rigorous standard of quality and appearance should be established and adhered to. A city in the West, but a short while ago, was taught this lesson. Their issue, satisfactory in every way as a safe and desirable investment, met with rejection by the London Stock Exchange, because the bonds, in color and other ways, failed to meet requirements. Rectification costs a good deal of money, and the mistake might have been avoided by the exercise of a little care and foresight.

Frequent Appeals for Funds.

Municipalities should avoid, as far as possible too frequent appearances as borrowers in the money market. A million dollar issue, at the right time will produce better results and a decidedly better impression than ten issues during the year of \$100,000 each. Large blocks, other things being equal, command more respect and competitive attention than lesser offerings. Cities have been known to invite tenders for, say \$100,000, to feel the market, and, if possible, establish a price, and then, after a short interval, call for bids on perhaps five times the first amount. The wisdom of such policy is doubtful. Bonds will bring their market value irrespective of previous prices obtained, and the larger the issue, within reason, and consistent with the city's present needs and future expectation, the more attractive it will be to those

Large Premiums and Discounts.

Large premiums or discounts should be avoided as far as possible. Rather than a premium, it is advisable to reduce the rate of interest to a par equivalent, and likewise to raise the interest rate rather than suffer a discount. Marketing bonds to the best advantage calls for a high order of skill, and a knowledge of money prices, fluctuations and tendencies, scarcely obtainable in other than financial centres. Every borrowing municipality might well have a competent and dependable financial adviser in its employ. Such adviser would necessarily be engaged in financial pursuits, and able to gauge by actual contact the pulse of the money market. Many a good bond issue has fallen flat because floated at the wrong time, and many a bond has been sold at too low a yield or too high a rate, in the absence of expert advice.

Watch Out For Fire Christmas Displays

A timely warning is issued by the Canadian Fire Underwriters Association, concerning the extra fire hazard caused by Christmas decorations and displays, as follows:

The use of Christmas greens, harvest specimens and other inflammable materials such as draperies, scenery, cotton to represent snow, and the like, (especially in connection with electric and other lighting systems), is decidedly an increase of hazard, it being impossible to make displays of that nature perfectly safe.

The Statutory Conditions of your Insurance Policy read in part as follows:

"Any change, material to the risk, but within the control or knowledge of the assured, shall avoid the policy, as to the part affected thereby, unless the change is promptly notified in writing to the company or its local agent."

In addition to the danger to property from the displays referred to, the danger to life in crowded stores or places of meeting, by reason of a panic occasioned by fire, even though it be small and easily controlled, is so great that the Underwriters, who have made a study of such hazards, would fail in their duty should they not give this warning.

If you are not a subscriber to The Advance, we just wish to say the subscription price is \$2.00 yearly in Canada and \$3.00 in United States

At Last, We Have It!

In these strenuous days, when people specially need the benefit of good music, it is gratifying that such a great firm as the Columbia Graphophone Company has decided to offer

A Grafonola that would present at a popular price all the essential features
—such as tone quality, volume of sound, mechanical construction, beauty of design and finish, that have heretofore only been associated with costly instruments.

We are at last enabled to announce to our music loving friends that all these desirable features are now awaiting them in this

Handsome Mahogany Grafonola and Cabinet Outfit Complete as you see it here for only . . \$60

This is an entirely enclosed and fully cased Grafonola, made of selected mahogany of excellent design. When record is in position for playing, the top—which is automatically supported when raised, and similarly released by a slight lift—can be closed so that only the pure sound that is intended to come from the record is emitted from the large tone chamber. Here are brief details of construction:

Measurements—The height of grafonola with record cabinet is 43 inches and 17½ x 17½ inches at base of the instrument.

Motor—Two spring drive, non-vibrating, non-vibrant. Plays three records on one winding. Absolutely noiseless. Motor is mounted on new metal motor plate.

Control—Speed regulator operated on graduated dial, combined with start and stop device.

Tone Control—Columbia tone control leaves, operated by a button in the front pilaster, also by variety of needles.

Tone Arm—New bayonet joint tone arm of one-piece, seamless, drawn, tapered tubing.

Reproducer—New Columbia No. 6.

Lid—Piano hinged and equipped with automatic support.

Needle Equipment—200 full tone needles. Top of cabinet contains three sunken needle cups for two grades of needles and used needles.

Record Capacity—Racks in cabinet have 30 divisions. Will hold upwards of 100 records.

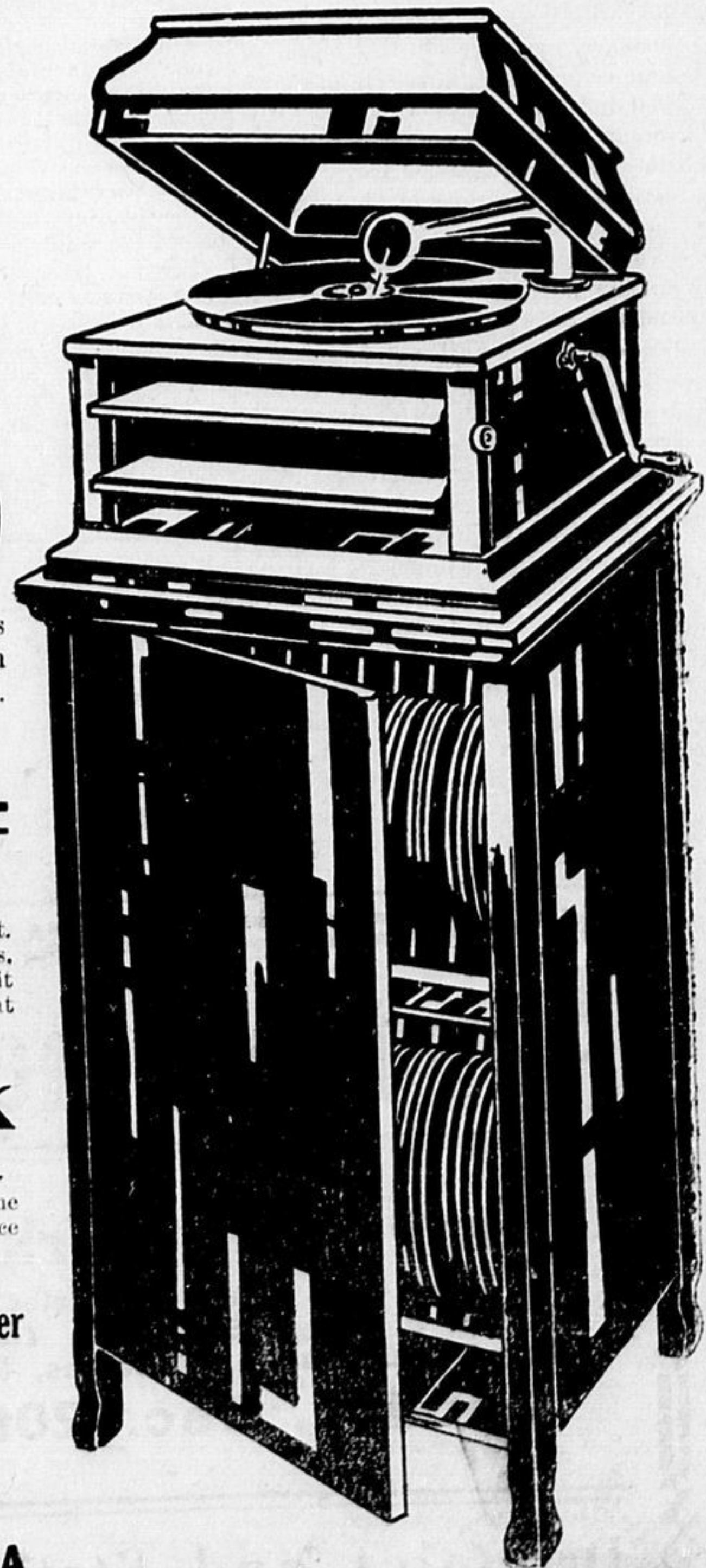
No Down Payment on this Outfit if you purchase 6 records

We are making it extremely easy to own this splendid outfit. All we ask is that you buy six double-side records from us, for which you pay \$5.10. We will send the complete outfit home to you at once, and you can pay us the price of outfit at the rate of

\$1 Per Week

No interest. No extras to pay.

There is sure to be a rush to own one of these grand home outfits, and as the quantity is limited, we urge you to place your order at once.



The Great Christmas Club is now in Full Swing. Out-of-Town Folks can take Advantage of this Great Offer
COMPLETE STOCK OF COLUMBIA RECORDS

Marshall-Ecclestone, LIMITED

TIMMINS

ONTARIO

CANADA

