GERMAN CAPITAL

In Canada—Mr. A. von Alvensleben Replies to Inquiries of The Monetary Times.

The Monetary Times has received a letter, of which the following is a copy, from Mr. A. von Alvensleben, of Vancouver, to whom the National Zeitung, of Berlin, Germany, referred not long ago in a somewhat uncomplimentary manner. The letter is sent in reply to a communication from The Monetary Times to Mr. Alvensleben.

"So far as my operations in British Columbia are concerned, I can hardly say that I am acting for a group of German capitalists. The facts are that I formed a company called 'Alvo v. Alvensleben, Limited,' in October, 1908, with a capital of $50,000. This company has, due to the wonderful developments of Vancouver, during the last few years, grown into a concern which, at present, controls a fairly large amount of real estate in Vancouver, Victoria, North Vancouver, etc., as well as some good timber holdings and land holdings in the Northern Territory.

Will Open Offices.

"I have visited Germany several times during the last few years and have used my connections towards interesting capital for British Columbia. Although, in some cases, two or three of our clients have bought together, they are mostly buying for separate accounts, so that it cannot be said that I represent a group of German capitalists, as long as the word "group" would be meant to represent a syndicate. Believing that interest in Canadian enterprises could also be increased greatly in France and in Austria, we have also opened a branch office in Paris, and my brother, who opened over a year ago, an office in Berlin, which is in close connection with our office here, has opened a branch in Vienna, Austria. In addition to that, another of my brothers is opening a timber office in London, and the Berlin office contemplates opening an office in St. Petersburg, Russia.

Investments in Mines.

"Although we have invested up to the present time a considerable amount of money in real estate in Vancouver, Victoria, as well as in timber lands and also in agricultural lands, we believe that the next few years will see a tremendous increase in the amount of capital invested, as up to two months ago we had never approached the public in Europe, but had only sold to friends and personal connections. Now, however, we have decided to spend a very considerable amount in advertising the opportunities in Canada in the German, French and Austrian papers. I am particularly interested in pointing out to our investors the great possibilities of investments in standing timber in British Columbia. I would like to state in this connection that I firmly believe that British Columbia has only 50 per cent. of the amount of timber with which it is credited. It is safe to estimate that under ten reports on timber at least six, or probably seven, are entirely unreliable. This is due not so much to dishonesty, but more to the incapability of the men who are employed as cruisers. Although I have to admit that a great many cruisers are dishonest and incapable, all this does not change the fact that the man who actually gets the amount of timber he is paying for, will, in my opinion, reap a tremendous increase in the price, particularly if the timber in question is well situated and consists of first-class quality.

Optimism and Imagination.

"I am also a great believer in coal lands on Vancouver Island and the Queen Charlotte Islands. Although you have to take into account that as far as Vancouver Island is concerned, the formation is throughout, badly broken, so that operators of coal mines must figure with particularly heavy expenses. We have also made some investments in mines, but only to a very small extent. I am, personally, of the opinion that Sheep Creek country will prove to be a very good producer and have, consequently, interested some of my friends in this camp. We are also believers in the Portland Canal camp, although we are aware that a great mnny wild cats have been floated in this particular location. As I am also a firm believer in the Northwest, particularly in the country between Edmonton and the Athabasca River, as an oil producing country, you will see that I am somewhat optimistic in my make-up. However, I am of the opinion that optimism, as well as imagination, are two qualities which are essential for any business man, but particularly so when his business is done in a new and yet undeveloped country. I can assure you, however, that although both these aforesaid qualities come natural to me, I am quite able to control them at times, and quite appreciate that a great many things have to be taken 'cum grano salis.'

"I have been, as you state, close to five years, an officer in the German Army, but resigned my commission in March, 1904. My financial experience dates since then. I have answered your inquiry somewhat fully, for the reason that your paper, as well as its reputation, is well known to me, and because I believe that your inquiries have been prompted by the justified desire to know as much as possible about every individual or company investing other people's capital in your country, and who, therefore, may, to a certain extent become personally responsible for the reputation of British Columbia investments abroad."

FIVE MILLION DOLLAR BOND OFFERING.

The Royal Securities Corporation is offering £1,000,000 5 per cent. first mortgage bonds of Price Bros. & Co., the well-known Quebec pulp and paper concern. The bonds, which are offered simultaneously in Montreal, Toronto, Quebec, Halifax and Chicago, at 86 per cent. unstamped, and at 87 per cent. stamped at Parr's Bank, Limited, London England, are dated November 1st, 1910, and due November 1st, 1940. They are callable as a whole at 102½ per cent. and accrued interest on November 1st, 1915, or on any interest date thereafter, on three months' notice, and interest is payable May 1st and November 1st. The assets from the security of these bonds will amount to about $13,500,000, of which over $8,000,000 represents freehold and leasehold timber and pulpwood lands. The average earnings for the last three years amounted to more than one and a half times the interest on the £1,000,000 bonds, and the estimated earnings of the combined operators after the completion of the paper mills cover the amount required to meet the entire bond interest three times over. The purpose of the offering is to finance the construction of new pulp and paper mills.

WINNIPEG'S WATER BY-LAW.

To justify the position of the Winnipeg fire, water and light committee, in refusing to submit a visible water by-law Alderman Fowler, the chairman, has had prepared the following statement of expenditures already authorized by the council. Cents are omitted.

By-law.	Debt Auth'zed.	Amt. of Stock or Debentures Issued.	Balance.
4138—Water power	$3,250,000	$2,240,000	$1,010,000
5460—Suburban police stations, patrol and signal system	215,402	75,000	140,402
5544—Bridges	400,000	107,395	292,605
5861—Conduits	150,000	50,000	100,000
4218—Fire stations	75,000	25,539	49,460
5546—Fire hall and fire alarm system	50,000	35,000	15,000
5855—Public baths	50,000	....	50,000
5919—Selkirk Centennial	500,000	....	500,000
5920—Isolation hospital	100,000	....	100,000
5921—Tuberculosis hospital	75,000	....	75,000
5922—Morgue	25,000	....	25,000
	$4,890,402	$2,532,934	$2,357,467

In addition to the above a gas works by-law, authorizing the expenditure of $600,000, has been passed, while the local improvements and waterworks by-law, No. 5884, for 1910, is estimated at $1,086,834.

The following by-laws will be voted upon at the coming December elections:—

General hospital, $400,000; Municipal hospital, $400,000; school board, for new schools, $600,000; two suburban police stations, $60,000; salvage corps, $25,000; parks board, for new parks, $150,000; total, $1,635,000.

NEW INDUSTRY FOR PORT ARTHUR.

Port Arthur has closed negotiations with the Ironclad Company of Canada, represented by Mr. Robert Greig, Lumsden Building, Toronto, for the location of a plant to manufacture enamel ware, covering a range of kitchen utensils, both enamel pots and pans, tinware, steel oil barrels, range boilers, etc. This plant is an off-shoot of the Ironclad Company of New York City, and some of their officials will have charge of the Port Arthur plant. A large percentage of their material will be shipped direct from the Old Country to Port Arthur, thereby saving in freight rates. It is expected 300 hands will be employed and cost of building approximately $500,000. Port Arthur has granted them an absolutely free factory site of five acres, and are holding five acres in reserve for the future increase of the business; tax exemption, save school taxes, for a period of ten years, have also been granted, and the city will guarantee 50 per cent. of the bonds of the company.