

HISTORY OF FRASER COMPANIES, LIMITED

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In the Spring of 1873 a group of colonists from Scotland arrived at St. John, New Brunswick, on the S.S. Castilia which was under the command of Captain John Brown. These colonists proceeded up the St. John River by river boat and arrived at Kilburn in Victoria County on May 13th, 1873.

Although lots of land had been arranged for this group of colonists, they found that these were in the wilderness - two to seven miles from the village of Kilburn, and as there were no modes of conveyance, these settlers were required to walk with their possessions to their land.

One of the lots which was the furthest distance from the St. John River had been allotted to Donald Fraser and there he walked and settled with his family.

Times were hard for these settlers and some of them including Donald Fraser and Alexander Matheson, in order to obtain additional cash by which to feed their families, sought work and since the New Brunswick Railway Company were constructing a railway up the St. John River, they obtained work with this Company at a wage of 90 cents a day of 12 hours.

The year following his arrival, Mr. Fraser started a sawmill on his farm lot, which lot was in the settlement called Upper Kincardine. This sawmill was what was known as a saw pit mill employing two men, Mr. Fraser on top of the log and his helper underneath and produced approximately 500 feet board measure of rough lumber in a 12 hour day, all sawn by hand.

Operating this saw pit mill was very hard and tedious work, without much chance of advancement, so when Mr. Fraser heard in that same summer of 1874 of an opening for a saw filer, the trade that he had learned in Glasgow, Scotland, at a water power mill at River de Chute a few miles down the St. John River from Kilburn, he accepted the position from Joe Porter, the owner of the mill.

In the Spring of 1875, Mr. Fraser leased this sawmill from Mr. Porter and purchased a few logs for sawing. The balance of the summer cut was made up with sawing logs which farmers in the locality around the mill brought in.

As the sawmill proposition looked good, Mr. Fraser purchased the sawmill from Mr. Porter in 1877. The year following, he expanded his holdings by purchasing the Muniac Mills which were located a mile below Kilburn. These mills consisted of a small sawmill and two grist mills, one for buckwheat and the other for oatmeal. All operated by water power.

These Muniac Mills were a paying proposition from the start, so Mr. Fraser installed in his River de Chute Mill, a Clapboard Machine made by Alex Dunbar and Sons, Woodstock, N. B. as well as one of the first Dunbar Shingle Machines. These new products found a ready market in the New England States, New Brunswick and Nova Scotia.

By buying logs from the farmers to saw in his mills and grinding buckwheat and oatmeal in his grist mills, Mr. Fraser continued to improve his financial condition.

Soon, however, the logs on farmers' lots in the locality commenced to get scarcer so Mr. Fraser obtained a permit from the New Brunswick Railway Company which had been granted extensive timber lands for constructing the railway up the St. John River. This permit was on lands bordering on the Odell River, a tributary of the Tobique River which enters the St. John River about ten miles above Kilburn. The following winter he carried on his logging for the River de Chute mill on the Mamazekel River, also a tributary of the Tobique but near its headwaters. However, in 1892 he returned to the Odell.

1901

Both of Donald Fraser's sons, Donald Jr. and Archibald, worked for their father and in 1892 were each in charge of logging camps on the Odell River. Mr. Fraser's operations then became known as Donald Fraser and Sons.

In 1894, the Frasers considered further expansion and constructed a mill at Fredericton, known as the Aberdeen Mill which operated until 1900 when fire destroyed the plant. It was never rebuilt due to the excessive cost of driving logs from further up the St. John River.

In 1898, Mr. Fraser heard of the offer to sell the interest in a large block of Crown Timber Licenses on the headwater of the Madawaska River in the Province of Quebec in the Counties of Temiscouata and Rimouski, consisting of 400 square miles. The Frasers purchased these limits and decided to manufacture at the source of supply.

The previous owner of these Crown Timber Limits, Mr. James Miller, had commenced the construction of a sawmill at Notre Dame du Lac, Temiscouata County, before his demise. The Frasers moved this mill to Cabano, six miles northwest of Notre Dame on Temiscouata Lake at the outlet of the Cabano River as the latter location was nearer to the rivers on which the logs cut from the limits would be sawn. This sawmill commenced operations in the fall of 1898 sawing logs cut the previous winter by Mr. Miller and from this date, a sawmill has been operated at this locality and is still operating. This sawmill operation was a success from the start and was a great aid in further expansion by the Frasers.

As all the limits in Temiscouata County were not on the watershed with an outlet to Temiscouata Lake, a sawmill was built in 1902 at the mouth of Baker Brook situate about 12 miles northwest of Edmundston, N. B. to manufacture logs from the headwaters of this Brook. This mill operated until destroyed by fire in 1922 but was rebuilt and continued to operate until again destroyed by fire in 1928. In 1904, this operation was incorporated as the Baker Brook Manufacturing Company.

Also in 1902 the Frasers commenced to acquire interests on the Tobique River. Archibald Fraser was late in that year appointed Managing Director of the Tobique Manufacturing Company with a sawmill at Plaster Rock as the Company was nearly insolvent. Very soon thereafter, the capital stock of this Company was taken over by the Frasers.

The next expansion was in 1905 when the Frasers joined with William Matheson and Thomas Matheson, two of the sons of Alexander Matheson who had settled with Mr. Donald Fraser Sr. in Upper Kincardine, and A. W. Brebner who had arrived from Aberdeen, Scotland, not long before, to take over the limits and mill owned by interests in Glasgow, Scotland, on the St. Francis River watershed in Temiscouata and Kamouraska Counties, Quebec. This property acquired in this expansion was operated under a company incorporated as F. & M. Lumber Co. in 1906.

This expansion brought William Matheson, Thomas Matheson and A. W. Brebner into the management of the Fraser interests although two of these, Thomas Matheson had commenced working for Donald Fraser Sr. as a clerk and timekeeper in woods operations in 1891 and his first clerk at River de Chute in 1892, and William Matheson as the Accountant in 1894. The added personnel was a great aid in all future expansions of the Fraser interests, with all three becoming Directors of the present companies and future ones, and with William Matheson as Secretary.

From this date, Mr. Donald Fraser placed a great deal of the operating responsibilities in his sons, Donald and Archibald, each managing a division of operations.

In 1908, the name of the Tobique Manufacturing Company was changed to Fraser Lumber Co. Limited and the interest in the partnership of Donald Fraser and Sons was merged into a company incorporated as Donald Fraser and Sons Ltd.

In 1911, all the assets of James Murchie Sons, Ltd. consisting of a sawmill at Edmundston, timber limits in New Brunswick and Quebec, and freehold timber lands in Quebec, mostly on the watersheds of the Madawaska River, were acquired and operated under the name of a new company, Fraser, Limited, which was incorporated that year. In the same year a further sawmill was erected at Glendyne on Long Lake in Temiscouata County.

Fredericton, N. B. called again and in 1912 Frasers, through Fraser, Limited, acquired the timber holdings in the Counties of York, Sunbury, Queens and Kings, and mill at Fredericton of the Scott Lumber Co. Ltd., the site of the present Victoria sawmill. In the same year the property of the Oromocto Lumber Co. Ltd. in York and Sunbury Counties was also acquired.

The Miramichi River called in 1915, so the property, consisting of timber lands and limits and a sawmill at Nelson, N. B., was acquired from Timothy Lynch Co. Ltd. by Fraser, Limited.

The year after expansion on the Miramichi River, the Fraser interests and the community suffered a sad loss in the death of Donald Fraser Sr. on April 1st, 1916. He was considered the richest man in the Province of New Brunswick at this time.

By this time consideration was being given to manufacture of pulp and Edmundston was picked as the location for this new venture and arrangements were made in 1916 for the construction of a pulpmill, mainly for the purpose of taking care of waste in logging operations and sawmills.

At this time all the various sawmills consisting of 15, all of which were band mills, were producing in the aggregate approximately: 160 million feet of long lumber; 90 million laths; and 200 million shingles yearly.

The F. & M. Lumber Co. also expanded in 1917 by the construction of a mill at Estcourt on Lake Pohenegamook, Temiscouata County, for sawing logs on the lower St. Francis River and its tributaries.

The number of companies owned by the Fraser interest, which now consisted of Archibald Fraser, Donald Fraser, William Matheson, Thomas Matheson and A. W. Brebner, was getting difficult to co-ordinate so it was decided to consolidate. By this consolidation, Donald Fraser & Sons, Ltd; Fraser Limited; Fraser Lumber Co. Ltd. and F. & M. Lumber Co. Ltd. were amalgamated into Fraser Companies, Limited, a Dominion Company, which was formed for this purpose in June, 1917.

Lumber operations continued to expand and in 1918 the Nowatt interests on the Restigouche River watershed were acquired and a sawmill constructed at Athol, now known as Atholville, two miles west of Campbellton.

The Province of Nova Scotia was the next scene of expansion when Fraser Pulp and Lumber Co. Ltd. in 1919 was incorporated to take over the assets of the Halifax Lumber Co. and Tusket Lumber Co. The timber holdings of these companies were extensive but before any operations commenced, they were sold in 1924 to Hollingsworth and Whitney and S. D. Warren Co. at a considerable profit which aided in further expansion in New Brunswick and Maine.

In 1920, additional sawmills were constructed at Magaguadavic in York County and at Sully on the St. Francis River in Temiscouata County, Quebec. The acquisition of the Notre Dame Lumber Co. with sawmill at Notre Dame du Lac in Temiscouata County also occurred at this time.

In the same year, the property of the Dominion Pulp Company with pulp mills at Millbank and Chatham, N. B., both on the Miramichi River, and large tracts of timber limits were purchased. The pulp mill at Chatham was not operating at this time and never did thereafter but the Millbank pulp mill continued to operate for a number of years before being dismantled.

New sawmills were constructed at East Lake near the Maine border in the Province of Quebec in 1922, at the mouth of the Quisibis River, eighteen miles below Edmundston, in 1923 and at Fredericton Junction in York County in 1925.

In 1924, however, additional Crown Timber Limits were obtained on the Nouvelle River in the Gaspé Peninsula, Quebec. These limits with a sawmill which was constructed in 1925, were operated by a subsidiary, Fraser-Gaspé Limited until the property was sold to International Paper Company in 1928.

The year 1925 was the year which showed the greatest expansion. In addition to that which has already been mentioned, all the capital stock of Stetson Cutler & Company Limited was acquired. By this purchase extensive timber limits in New Brunswick and Quebec, particularly on the Restigouche River watershed but also on the Tobique River, Green River and Charlo River, were acquired as well as sawmills at Athol, Campbellton, Richardsville, Charlo and St. John. The subsidiaries of Stetson Cutler & Company Limited, including Richards Manufacturing Co. Ltd., Continental Lumber Co. Ltd., Stetson Cutler & Co. of Boston, Stetson, Cutler & Redmond Inc. of New York and East River Dock and Supply Co. of New York, were also taken over.

Also the same year, it was considered advantageous to manufacture paper from the pulp produced at the Edmundston pulpmill and for this purpose a subsidiary by the name of Fraser Paper, Limited was organized which constructed a paper mill at Madawaska, Maine and was joined to the Edmundston pulpmill by a pipe line across the St. John River. This new project called for the greatest single expenditure up to that time and was financed by a bond issue.

1928 was another big year with extensions to the Edmundston pulpmill and the Madawaska paper mill, and the commencement of construction of a pulpmill at Atholville near the site of the Shives sawmill acquired when Stetson Cutler & Co. Ltd. became a subsidiary. The name of this latter Company was now changed to Restigouche Company, Limited. Also in this year the property and timber lands of the Edward Sinclair Lumber Co. Ltd. in Northumberland and Gloucester Counties were acquired but the sawmill at Newcastle on the North West Miramichi River obtained in this transaction was never operated.

From 1927 to 1929, a half interest of other properties on the Miramichi River were obtained consisting of the properties and timber limits of D. & J. Ritchie Co.; O'Brien Limited; Robinson Co. Ltd; Buckley Estate and J.J.B. Snowball Co. These properties were later divided between Fraser Companies and Miramichi Lumber Co.

These extensions and acquisitions caused a heavy drain on the finances of the Company and before the Atholville pulpmill could be placed in operation, the financial upheaval which commenced in October, 1929 struck and values slumped to over 50% with lumber prices about on the level with prices of 1905.

Still Archibald Fraser had the ambition to build another sawmill. This one, the last in a long line of sawmills, was erected below Baker Brook on the St. John River to take care of logs produced on watersheds of the St. John River in the State of Maine and Quebec and commenced operations in 1930.

With the great slump in the price of products and with the debts contracted for the recent expansions, the financial condition of the Company became impaired. Through the bank and bondholders, who were the heavy creditors, Mr. K. S. MacLachlan was appointed as General Manager of the Company.

Early in the year 1932 a reorganization of Fraser Companies, Limited and its subsidiaries, Fraser Paper, Limited and Restigouche Company, Limited was effected whereby Bond interest was deferred, common stock split and fixed assets reduced in an endeavour to weather the depression.



At the time of the financial reorganization, a new Board of Directors was elected to carry on the operations although both Archibald and Donald Fraser were retained on this new Board.

In the Fall of 1932, Archibald Fraser passed on, dying of a heart attack while on a hunting trip on the Tobique River area. In his passing, New Brunswick lost, between he and his father, Donald Sr., two men who have left their mark in the industrial life of their adopted Province. Of all the big lumber men New Brunswick produced and these were many, Archibald Fraser led them all - John Glazier being the first real operator and Archibald Fraser the last.

After the death of Mr. Archibald Fraser, Mr. K. S. MacLachlan was appointed President of Fraser Companies, Limited as well as General Manager, while Mr. Donald Fraser remained Vice-President.

Although the going was hard for the next few years, still this Company maintained to carry on and weather the storm, although another financial reorganization occurred in 1936 for the disposal of deferred bond interest.

In May 1936, another of the originals passed on. This was the late William Matheson who had risen from the position of the accountant for Donald Fraser & Sons in 1894 when he was hired by Donald Fraser Sr. at the commencement of operations of the Aberdeen Mill in Fredericton, to hold many of the higher offices in the Company. He, with Donald Fraser Sr. and Archibald Fraser, were the outstanding figures in the development and progress of the Company up to the time of his death.

In order to protect interests already acquired which were tributary to the Edmundston pulpmill, Fraser Companies acquired in 1937 all the capital stock of Fraser Realities Limited which owned the greater portion of the Temiscouata Seignior in the Province of Quebec as well as Crown Timber Limits on the St. Francis River watershed. In the same year, the Green River Lumber Company properties on the Green River were purchased including assignment of stumpage permit on Green River lands of New Brunswick Railway Company.

Donald Fraser, who was still the Vice-President of Fraser Companies, Limited and subsidiaries, died in Moncton in 1940 causing a further loss to New Brunswick and depleting the number of the original developers of the Fraser empire.

After the outbreak of the second World War, the Dominion Government was endeavouring to obtain personnel for executive offices and Mr. K. S. MacLachlan became Associate Deputy Minister of National Defence for Air in 1940. At this time, Mr. Aubrey Crabtree who had been employed by Fraser Paper, Limited since 1930, and its General Manager since 1935, was appointed Vice-President and General Manager of Fraser Companies, Limited and subsidiaries and Mr. L. M. Sherwood who had been Secretary and Treasurer of Fraser Companies, Limited and subsidiaries since 1932 was appointed Vice-President and Controller of the Company and subsidiaries. On the resignation of Mr. MacLachlan as President in December of 1940, Mr. Aubrey Crabtree was appointed President as well as General Manager.

The financial condition of Fraser Companies continued to improve and in order to further solidify the position of the Edmundston and Madawaska mills, 133 square miles of Freehold Timber Lands in Madawaska County were purchased from the New Brunswick Railway Company in 1941 and a further purchase of 981 square miles on the Tobique River watershed from the same company in 1943.

Two important items, not dealing with expansion, occurred in 1944. These were the resumption of dividend payments after a lapse of over 15 years and the inauguration of Pension Funds for regular employees.

As matter does not remain stationary, further expansion is considered. This is the proposed construction of an unbleached sulphate mill at Newcastle which was announced in 1946.