

CHAPTER XVTHE WAR AND POST-WAR YEARS

Following Canada's declaration of war on Germany in September, 1939, the Dominion Government was seeking personnel for important executive posts. That month, the announcement was made that Lieutenant Colonel K.S. Maclachlan, President and General Manager of Fraser Companies, Limited, together with Lieutenant Colonel H. Desroisers, had been named to the Federal Post of Associate Acting Deputy Minister of National Air Defence in place of Major General L Le Fleche, granted leave on account of illness. Colonel Maclachlan had served during World War I as Supervisor of Production and Distribution of Explosives for the Imperial Munitions Board. Upon his appointment to the new Government wartime post, he relinquished his position as General Manager of Fraser Companies, Limited and subsidiaries. However he continued as its president.

Consequently, in March 1940 Aubrey Crabtree, who had been General Manager of Fraser Paper Limited since 1935, was selected General Manager of Fraser Companies, Limited and subsidiaries to succeed Col. Maclachlan, and also made Vice President of the companies. At the same time, L.M. Sherwood became Controller. In December, Colonel Maclachlan also resigned as President, and on January 1, 1941, Aubrey Crabtree succeeded him, while continuing as General Manager. He was eminently well equipped for the post, with more than twenty years with Fraser Companies, in addition to his earlier experience in various phases of the paper business. At the same time, L.M. Sherwood, who had been with the company 25 years, was named Vice President and Controller.

Mr. Sherwood, a native of Kings County, New Brunswick, had originally joined Donald Fraser & Sons in Fredericton in 1913. Upon his return to the companies in 1919, after service in World War I., he had filled increasingly responsible executive

positions. In 1920 he was appointed Assistant Treasurer of Fraser Companies, Limited and subsidiaries. In 1929 he was named Treasurer,-- in 1931 Vice President in charge of Finance and in 1933 he was appointed Secretary. In 1941 when appointed to the position of Vice President and Controller, at which time Aubrey Crabtree became President and General Manager, both men were also made Directors of Fraser Companies Limited and subsidiaries, and Mr. Sherwood was also appointed Vice President to succeed the late Donald Fraser.

An interesting commentary on the two men is that the two of them, like their noted predecessors, Archibald Fraser and William Matheson, are an excellent team...working closely together with Aubrey Crabtree devoting most of his attention to the organization and production with Mr. Sherwood responsible for financial matters.

In May 1941, announcement was made of the appointment of Hubert H. Henderson as Treasurer and Credit Manager and Henry C. Noxworthy as Secretary of the company and subsidiaries. Mr. Henderson had entered the employ of Fraser Companies Limited in 1919 following four years service overseas in World War I. previous to which he had worked for the Royal Bank of Canada. In 1929, he became Assistant Purchasing Agent and in 1930 was elected Assistant-Treasurer and Credit Manager. In April 1941, he was appointed Treasurer of the companies. He is presently Credit Manager, as well.

In 1934 at the time of the resignation of Henry C. Noxworthy, G.G. Gillies, who had joined Frasers in 1931 succeeded him as Secretary of the companies.

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In 1941 the war created a very heavy demand for all products of the companies,

lumber, pulp and paper, and at the same time difficulties began to be encountered in the restrictions set up on supply of certain essential raw materials and chemicals entering into the manufacture of the products. These difficulties were greatly accelerated as the war progressed, and further problems were brought about by shortage of labor in the woods as the demands for men in service continued to deplete the ranks of Fraser employment, as well as those of all other businesses and industries in both United States and Canada. Under war emergency orders, during the last part of 1945, by direction of the United States War Production Board, wood pulp was diverted from the Madawaska paper mills to other essential consumers. Raw materials, particularly pulpwood and coal used in manufacturing increased greatly in price as the war progressed, the increase in groundwood papers, for instance, authorized by the war-necessitated U.S. Office of Price Administration at this time did not offset these increases. And this was rather indicative of the situation as a whole on most products.

Stress began to be placed on the necessity of protection of mills and forests against enemy aerial attack and sabotage through fire, etc. More and more the war emphasized the essentiality of the products of the industry.

During 1941 as a part of the industry's essential contribution to the war effort, a Wartime Machine Shop Board of Canada Pulp and Paper Association was organized, and individual mills set up machine repair and production shops to operate on a 24 hour schedule to permit production of small parts to supplement the heavy schedule being carried on by War Production Plants then in full time operation. The program was called "Bits and Pieces". A gratifying result of Fraser's participation in this effort in the Atholville mill, as well as in the Edmundston and Madawaska mills, was that in 1943, for the second successive year, the Atholville mill shop

was awarded the "Bits and Pieces Silver Shield" in recognition of "the best war production job on this program for Canadian Government Contractors.

F.R. Killam, plant engineer at the Restigouche mill as Zone Coordinator for the Maritime Area of the "artime Machine Shop Board, made one of the most valuable contributions to the success of the board in its war work, according to news notices of that time.

1943 too, saw women workers replacing men in and around the pulp and paper mills, as chipbin girls, sulphite woods helpers, steam plant helpers, statisticians, upkeep workers as paint wielders and truck haulers in the warehouses, as well as in the finishing room and other various points of operation. This included posts in the woods as forest fire guards.

A Payroll Deduction plan was established for the purchase of Victory Bonds, as another vital phase of industry's part in the war effort. From July 1, 1940 to February 1, 1943, Fraser employes, including subsidiaries, purchased over \$250,000 in war saving certificates and U.S. Victory Bonds, not including their cash purchases. At the same time Fraser's contributed page advertisements in the various provincial papers during each of Canada's Seven Victory Loan Drives, to urge the investment of everyone in this vital program.

In
/The Fraser service flag, carried in the company's magazine, The Fraser Voyager, recording employees in service these figure rose to over 800 by 1945. And gold stars appeared on the company service flags and in honor rolls in mill plants and offices.

In addition to the prominent place being occupied in war direction by Col. K.S. Maclachlan, another outstanding post of leadership was held by Mr. Harold Crabtree,

Director of Fraser Companies and subsidiaries who became President of the Allied War Supplies Corporation, a government owned concern set up to administer the Munitions Program for Canada for the British Government.

As an expediency in relation to the shortage of pulpwood due to lack of woods labor, in December 1943, Fraser Companies erected a new building 40 feet by 40 feet by 10 feet and installed equipment at an approximate cost of \$7,500 for the purpose of cleaning and processing for manufacture into sulphite pulp, slaps and edgings from the sawmills, which had formerly been burned or wasted. Waste paper salvage campaigns were operating in both United States and Canada at this time as another source for the short raw material supply. Every phase of the industry was geared to one vital purpose - the winning of the war.

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In 1941, in order to further solidify the position of the Edmundston and Madawaska mills and offer increased security in the long time supply of raw material for the products, Fraser Companies made a purchase of 133 square miles of Freehold Timber Lands in Madawaska County from the New Brunswick Railway Company. In 1943 this large purchase was enhanced by 981 square miles of timberland (more than 600,000 acres) from the same source, made up of timberlands on the Tobique River watershed, both purchases greatly enhancing the already vast timberholdings of the companies through the Province of Quebec and New Brunswick. Like so many other factors connected with The Fraser Story from the early days, the new properties were historically significant, the timberland being part of the nearly 2 million acres given as a subsidy to the New Brunswick Railway during the time they were constructing the first early railroads in the province under the guidance of Sir William van Horne, and later, Lord Strathcona. These railroads later became part of the Canadian Pacific track-

Age Another point of interest about the properties was that they were adjacent to the Tobique River, long famous as a fine salmon fishing stream. For many generations the pools in the river had been leased or had been under rental to the United States and Canadian sportsmen, among the most famous holding leases being the Tobique Salmon River Club which owns pools at one of the branches of the river where the "Strathcona Lodge" is located. This lodge was built on orders of Lord Strathcona for the use of the Duke of Connaught who then was Governor General of Canada, and who spent much time enjoying the excellent salmon fishing the river offers.

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In addition to the acquisition of the timberlands in 1941 and 1943, further essential additions and improvements were being made in Fraser mills and their equipment. In 1941 number one and number three machines in the Madawaska mill were altered to increase their so vitally required production.

Two important events occurred in 1944, one of interest to stockholders, and the other concerning the welfare of employees. The first was the resumption of dividend payments which had been discontinued for the fifteen years during the depression and the early war years. The other was the inauguration of the Pension Plan, on an employer-employee contribution basis, after careful consideration of various plans. This not only took into consideration the needs and welfare of all employees, but for those who had also served with the companies in years previous to the installation of the Pension Plan, a special fund of \$827,000 was provided in consideration of their longer service, previous to the time of the plan.

During the summer of 1945, another constructive program was undertaken by Fraser

Companies that was right in line with the policy of forest preservation and protection followed throughout the years. But first a bit of the background. Due partly to the severe spruce bud worm infestation of the forests in the Province of Ontario and the western Province of Quebec in 1944 which gave further impetus to the idea, consideration was given to the establishment of a laboratory on the Green River watershed of the company for research purposes. With this objective in view, a three-party cooperative was developed during the latter part of 1944 and the early months of 1945, the parties contributing to the plan being The Dominion Forest Service, Ottawa; the Department of Lands and Mines, Fredericton and Fraser Companies, Limited.

During the summer of 1945, Frasers undertook the actual construction of the Laboratory near their Summit Depot on Greenriver watershed in New Brunswick. The building was completed and ready for occupancy by the end of July. Previous to its completion, a Dominion entomologist with a small staff was located at Fraser's Summit Depot, ready to move in on August 1st, 1945. The Laboratory and Experimental Station has since been in use twelve months a year for the purpose of checking on any insect infestations that may threaten the limits, as well as for conducting experiments on methods of operation that will give maximum yield per acre from the timberlands on a sustained yield cutting basis. In addition to this project in cooperation with the Government, Fraser Companies Limited maintains, at all times, and at all divisions, a nucleus of a fire fighting crew as well as an adequate supply of equipment to supplement the Government and Association supply. E.L. Howie is Chief Forester of the companies and subsidiaries.

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Again, returning to the construction of new units to the manufacturing set-up

from time to time as required, during 1945 Fraser Companies made three additions to the Edmuston plant, that year marking the completion and placing in operation in December of a new steam plant At Edmuston with a 3,500 kw steam turbine generator containing a new filter plant providing an increase of approximately 20 million gallons of fresh water per day; an additional and completely new stage to their process of bleaching sulphite pulp . This required a three storey addition 85 feet by 36 feet made to maintain the quality of the pulp thus improving quality without increasing quantity of production. A chemical laboratory was also constructed to replace the old one. This was a single storey building about 80 feet square, equipped with all of the testing and analytical machinery necessary to maintain and improve the quality of the product. A modern stock preparation plant for the board machine, and renewal of the stock pipeline from Edmuston to Madawaska and increased pulpwood storage facilities.

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In January, 1946, Aubrey Crabtree announced two new appointments in connection with the Sales Organization of Fraser Industries, Incorporated, which handled the sales of the Madawaska paper mill products. James G. Conley was appointed Manager of Paper Sales and John R. Cryan, assistant Manager of Paper Sales. Mr. Conley had been associated with Fraser Industries, Incorporated for the past fifteen years, since 1931, as Western Sales Manager with headquarters in Chicago. Mr. Cryan, who joined the company in 1930 and who, in 1935 was transferred from Fraser's Technical Staff at Madawaska to the sales staff in New York was in 1943 named Eastern Sales Manager under the late Fred W. Cole who was at the time of his death on October 5, 1945 Sales Manager of Fraser Industries Incorporated. Mr. Cole had joined the staff of Frasers fifteen years before, ~~and~~ on November 15, 1930

and subsequently had been named manager of Eastern Sales in July 1935. The following year he became SalesManager until his death in 1945.

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With Germany's unconditional surrender in May 1945 and Japan's surrender in September 1945, the latter part of that year saw the return of many of the former Fraser personnel to the company. Of the more than 800 full time employees who had left the company to serve in all branches of the United States and Canadian forces about 30 percent rejoined the company. Early in 1946, in February, Commander K S MacLachlan, former President and General Manager of the companies, and, at the time he resigned the posts, also a director, returned from service overseas. His war activities as Minister of National Defence for Naval Affairs had included such vital assignments as being attached to the staff of Lord Louis Mountbatten as an Executive over commando activities, planning naval operations at Anzio, Italy, etc. He joined Standard Chemical Company Limited in January 1945, as President and Managing Director, and the following month, relinquished his Directorship of Fraser Companies Limited and subsidiaries.

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In May 1946 construction of extensions to the Restigouche Sulphite Mill at Atholville, N.B. were started by the Caldwell Construction Company at an approximate cost for the project of \$1,500,000. These extensions included the installation of turbines generating 2000 kwh; the installation of a new pulpwood barker; the replacement of pulverizers and extensive repairs to boilers and the replacement of a main fresh water pipeline over a distance of 2 1/3 miles. In the bleaching plant, two more Bellmers were added and the Bellmer stock chests equipped with propeller type agitators for additional bleaching capacity. An addition was also built to the control laboratory. For more adequate fire protection, a new pumping station was

constructed near the waters edge adjoining the jack ladder to house three additional fire pumps. J. Connelly is Superintendent of Pulpwood operations at the Restigouche mill at Campbellton, C.T. Clark, acting Mill Manager, E.O. Houghton, Superintendent, F.O. White, Chief Engineer, W.A. Ketchen, Chief Chemist and Eugene de Luca, Divisional Chemist.

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At the plant of Fraser Paper, Limited, at Madawaska Maine, recent replacement of fourdriniers on two paper machines has been made, together with the addition of six presses to three paper machines, ^{construction of the new boiler plant} renewal of sewers, replacement of many vacuum pumps and replacement of the coal pulverizer.

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In August 1946, culminating studies over a period of years in relation to the development of the industry on the Miramichi River, Fraser Companies Limited announced their intention to construct a pulp mill on what is known as the Sinclair site on the northwest Miramichi River in the town of Newcastle, N.B. for the purpose of manufacturing unbleached sulphate pulp (kraft). For many years the company operated a sawmill at Nelson, across the Miramichi River from Newcastle. Because of the increasing scarcity of sawlogs on the Miramichi timber limits, its operation was discontinued in 1947. However, because these limits did give promise of a suitable annual harvest of pulpwood, after due consideration of many important factors, it was decided to construct the mill there for the manufacture of sulphate pulp. This project marks the return of Frasers to the district which had seen the closing of their Chatham pulpwood operations in 1932, due to the depression. The cost of the project involving an expenditure of approximately \$6 million dollars also includes the construction of a bleaching plant at Edmundston for further processing of the product of the Newcastle mill.

The purpose of the new plant is to permit increased production and a greater diversification of the company's products. The new mill will add 40,000 tons of sulphate pulp to Fraser's annual production. Its completion is expected late this summer of 1949. The announcement of the construction of the new pulp mill was welcome news to the people of the Miramichi valley, for not only does it again give a leading industry there, but its establishment is expected to result in wide employment in the surrounding territory and other constructive economic aspects including expanding business for local merchants. The Newcastle mill will employ 300 workers besides the office force and executive staff, running three eight hour shifts of a hundred workers to each shift. Ralph Murchie, former assistant sulphite superintendent at Edmundston is to be the new Manager of the Newcastle mill, Eugene de Luca of the Restigouche mill, Superintendent and Nairn McCaffrey, resident engineer.

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An organizational change which took place in 1946, was the dissolving of Fraser Industries Incorporated on December 31, and Fraser Paper, Limited replaced it to handle sales of the products of the Madawaska mill. In January 1947, a fire at Fraser Companies Limited rossing and chipping mill on the Robinson Wharf in Newcastle resulted in a total loss of the main mill building, including much valuable and difficult-to replace-machinery. The Newcastle fire department fought the blaze for several hours before it was brought under control and managed to save a number of smaller buildings on the mill property as well as a large pulpwood pile near the burning building which fortunately also remained undamaged. The mill had been built the previous year and employed 50 men on the day and night shifts. Until four weeks previously it had been closed for repairs and had begun production only on the day of the fire after a month's lay-off.

1947 saw new construction as well as fire destruction, for in Edmundston a new finishing room, bleaching plants, a new laboratory and new executive headquarters for the head office of the companies were all completed.

The Spring of 1948 marked the beginning of a busy year in Plaster Rock where a new sawmill was erected by Fraser Companies together with several other building projects. The replacement of this sawmill is of great interest, since it will replace one in operation for more than fifty years which was originally built by one of the early lumbermen, Frederick Hale, for whom Donald Fraser, the founder had worked in the early days, and which Donald Fraser and Sons had acquired in 1903. The town of Plaster Rock had grown around the mills during the years, and the new program now in work will include civic improvements in addition to the building of the new mills. For more than thirty years the town has derived its water supply from Fraser Companies. They have recently completed necessary construction to handle their own water supply, including a new pump house, new sewerage, new paving projects for roads are also part of the modernization of Plaster Rock. The company's new sawmill and dressing mill at Plaster Rock will be used in relation to pulpwood operations of the company, as well as for the production of some lumber. Plaster Rock is also a divisional office for district woods operations. A.W. Goodfellow is Superintendent here.

Many of the expansions, replacements and improvements being made at this time are part of a long-time program of improvement, some of the work for which was delayed during the war. The investment of the facilities for the manufacture of pulp and paper is so great, one of the highest of all from a stand point of per capita of employment, that it requires constant vigilance to keep up the high standard required to produce products of the calibre produced by Fraser Companies, Limited, which must be at all times, in line with the developments occurring in the fields of their converters and printers, and other graphic arts fields.