

DEVELOPMENT OF POWER IN EASTERN CANADA

The latest factor in the power field is the Eastern Canada Power Company, it being through the instrumentality of that company, apparently, that Mr. McGibbon is putting forward the following scheme. The formation of this company was announced fully a year ago, it being stated that a wonderful scheme of power development was contemplated by the concern. Sir Max Aitken was said to be the organizer of the company, and it was stated that the amount of power to be produced was very large. The story attracted considerable interest at the time, especially as there then seemed a probability of keen rivalry between the Montreal Light, Heat and Power Company and the Canadian Light and Power Company, each of which companies possessed hydraulic developments thirty miles from the city in the vicinity of Cedar Rapids. About the same time, also, Mr. D. Lorne McGibbon had succeeded in getting control of the Cedar Rapids power. Just where the Eastern Canada Power Company was going to get its enormous power from was somewhat of a mystery.

In the course of the following year Mr. McGibbon's plans for developing the Cedar Rapids Power were matured, and it began to be rumored that he was selling out control to certain other interests. The story was at first denied, but its truth was ascertained later. It was admitted that some of the principal interests in the Montreal Light, Heat and Power Company and the Shawinigan Water and Power Company were the purchasers. This meant that the Montreal, Light, Heat and Power Company was now in control of practically all the sources of hydraulic power located within commercial distance of Montreal.

A recent dispatch from Ottawa is to the effect that Mr. McGibbon now appears in a larger power scheme. It is proposed to build an enormous dam in the vicinity of Coteau, Cedar, Split Rock and Cascade Rapids for the purpose of developing an hydraulic power with an estimated capacity of 1,000,000 h.p. The dam will connect up a number of islands in the vicinity mentioned, and will have a total length of, perhaps, fourteen miles. The rapids will thus be dammed up to a level with Lake St. Francis, thus obliterating them and flooding a portion of the Soulanges Canal. The proposal is from the Eastern Canada Power Company, and behind it are Mr. McGibbon, and with him Sir Max Aitken. The proposal has already been brought before the government at Ottawa, and, so it is believed, has made progress with the powers there.

The other big power scheme is the Long Sault Development Company, which is backed by the Aluminum Company of America. This, also, is before the government at Ottawa, but whether it is in any way opposed to the Eastern Canada Power scheme or not is impossible to say at this moment. It may be remembered that the Long Sault scheme was brought up at Ottawa during the regime of the Liberal Government and met much opposition from the Conservatives, and, on the recommendation of the conservation commission, was not adopted. For some time past the Long Sault Scheme has been showing new life once more. It has been written much about and discussed, and there is no doubt that another attempt will be made at Ottawa.

The Long Sault scheme is not quite so ambitious in some respects as the Eastern Canada Power Company. Instead of a development of 1,000,000 horse-power, one of but 600,000 to 800,000 horse-power is claimed, and the engineering problem, it is stated, would not be anything so vast or complicated. On the other hand, however, the consent of both the United States government and the Canadian government would have to be obtained. These gov-

ernments both refused consent in the past. Subsequently, the governments have been changed in both countries, and the new governments may feel more kindly disposed to the proposals.

Canadians must feel that the leasing of these powers in the St. Lawrence River is one of the most serious matters dealt with by parliament in many decades. They are the last big, commercially available powers in Canada, and their absorption by private interests can only mean that the advantages of ownership will be absorbed by the owners, whether these be the private interests or the country at large. The Hon. Clifford Sifton, as head of the conservation Commission, made the statement that "leases of these powers for limited periods" was the proper method, and in his suggestion there is much to commend.

INTERNATIONAL PAPER COMPANY AND CANADA

The report of the International Paper Company for the year ended December 31st, 1912, will likely show the largest net earnings in any year since 1905, the directors anticipating that it will total about \$6,000,000. Discussing the decline in this company's stock, it was suggested in New York last week that if a reduction were made in the paper tariff, the plants of the company in the United States might be transferred to Canada with very little expense.

The company is producing at the rate of about 1,750 tons of paper a day. The production varies from 1,746 to 1,777 tons. Of this, 80 per cent. is news print. The remainder of the output consists of tag paper, box paper and supplement paper. It is selling its product at \$2.25 per 100 pounds and finds the market favorable, so that its entire output is sold. Beginning next year, International Paper will begin supplying news print on several new contracts, of which the New York Sun is the largest. The Sun contract calls for 40 tons of news print per day. The Sun is now receiving its paper from the Great Northern Paper Company and is paying less than it will have to pay on the new contract at the first of the year.

International Paper is spending considerable money in improving its property and has expended a large amount of money for this purpose during the last three years, and now has a profit and loss surplus of approximately \$9,000,000. One of International Paper's greatest assets is its ownership of timber lands in Maine and Canada. The policy of the company is not to use its own wood where it can buy in the open market at a reasonable price. Directors of International Paper believe that the timber lands should be held as a final reserve, and should not be used until the price for wood pulp timber in the open market advances too much.

The International Paper Company was incorporated in 1898 in New York for the manufacture and sale of pulp and paper, and was a consolidation of nineteen paper producing companies. Among the concerns it controls are the Miramichi Lumber Company, incorporated in 1905 in Maine. It has rights to cut timber on about 415,000 acres of Crown land limits in New Brunswick. It also controls the St. Maurice Lumber Company, incorporated in 1891 in New York. This company owns cutting up and wood preparing mills at Batiscan, Three Rivers and Pentecost, Quebec, with water powers and rights to cut timber on more than 2,000,000 acres of Crown land limits in Quebec.

The International has authorized common stock of \$20,000,000; 6 per cent. cumulative stock, \$25,000,000; and a bonded debt of \$16,473,000, exclusive of \$1,189,000 bonds of controlled companies.