

QUEBEC,
NORTH SHORE
AND LABRADOR
RAILWAY.

Proposed Railway, St. Lawrence to Labrador

Construction of a railway line, much discussed in mining circles during the past couple of years, to develop the Hollinger iron ore deposits in Labrador, is provided for by Bill H of the Senate, which received first reading March 11.

EVER since the diamond drills of Labrador Mining and Exploration Co., Hollinger Consolidated Gold Mines, Ltd., subsidiary, began to bring up core indicative of valuable iron ore, in Labrador, mining people have been talking about the construction of a railway line to connect the iron ore area with the north shore of the St. Lawrence River. The incorporation of a company to build such a railway is the objective of Bill H, introduced in the Senate by Senator Hugesen. The bill, to provide for "an Act to incorporate Quebec, North Shore and Labrador Railway Company", received first reading on March 11. It came up for second reading on March 13, but the vote on the motion for second reading was postponed on that date, after limited discussion.

The petitioners for the incorporation of the company, and the provisional directors, are listed as Jules Robert Timmins, Leo Henry Timmins and John Ireland Rankin, of Montreal; Joseph Arthur Simard, of Montreal, and David Moffat Dunlap, of Toronto. It is provided that the company is to have capital stock of \$2,000,000 and head office in Montreal, and that the annual meeting of shareholders will be held on the first day of May or on such other date as may be determined by resolution of the directors. It is also provided that the company will have not less than five nor more than eleven directors, one or more of whom may be paid.

The foregoing provisions are set out in the first six sections of the bill. Section 7 describes in general terms the location, not yet decided upon in detail, of the proposed line of railway. This section states:—"7. The Company may lay out, construct and operate a railway starting at a point on the St. Lawrence River, somewhere between

the Riviere Marguerite and Riviere Moisie, in the province of Quebec; thence in a northerly direction following the valley of the Riviere Moisie or the valleys of the Riviere Moisie and Waconno River to the southern boundary of Labrador; thence in a northerly direction to a point on the northern boundary of Labrador in the vicinity of Ruth Lake, provided that authority be obtained from Newfoundland for the construction and operation of this section of the railway; thence north-westerly to a suitable port on Ungava Bay."

Section 8 of the bill states that the securities issued by the company are not to exceed the cost of the railway built or under contract to be built.

Section 9 provides for agreements with other companies for sale, loan or amalgamation, and states:—"9. (1) Subject to the provisions of sections one hundred and fifty-one, one hundred and fifty-two and one hundred and fifty-three of the Railway Act, the Company may, for any of the purposes specified in the said section one hundred and fifty-one, enter into agreements with any other company, whether within the legislative authority of the Parliament of Canada or not and whether within or outside Canada.

"(2) Notwithstanding the provisions of section one hundred and forty-seven of the Railway Act the Company may acquire the stock, shares, bonds or other securities issued by any such railway company or acquire any interest in any such stock, shares, bonds or other securities."

Section 10 provides for the issuance of preference stock under certain conditions.

Very Extensive Powers Sought

The bill proposes to authorize the company to conduct many other lines of business additional to the operation

of a railway, and sections 11 to 17 inclusive, set forth the powers which are sought. These sections propose to empower the company to deal with electrical energy, telephone and telegraph facilities, ships, wharves, docks, warehouses, hotels, tourist facilities, motor vehicles, pipe lines and air transportation facilities. To demonstrate the wide powers sought, we quote sections 11 to 17 inclusive of the bill, in the following:—"11. Subject to the provisions of section three hundred and sixty-eight of the Railway Act, the Company shall have power to generate, acquire, use, transmit and distribute electric and other power or energy and for the purposes of such generation, acquisition, use, transmission and distribution may construct, acquire, operate and maintain lines for the conveyance of light, heat, power and electricity.

"12. Subject to the provisions of section three hundred and sixty-nine of the Railway Act, the Company shall have power to transmit telegraph and telephone messages for the public and to collect tolls therefor.

"13. The Company may, for the purposes of its undertaking, construct, acquire, charter and navigate steam and other vessels for the conveyance of passengers, goods and merchandise; and may construct, acquire and dispose of wharfs, docks, elevators, warehouses, offices and other structures to be used to facilitate the carrying on of business in connection therewith, and may carry on the business of warehousemen and wharfingers; and charge wharfage and other dues for the use of any such property.

"14. The Company may, for the purposes of its undertaking, construct, acquire or lease buildings for hotels or restaurants along its railway and may carry on such business in connection therewith as tends to the comfort and

April 1947