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FILE J-25-1

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Date 24/11/89

File J-25-1 (1947-49) #287376 -- No Exemptions --

July 18, 1947

MEMORANDUM FOR THE MINISTER

Re: Japanese Claims

Mr. Wright of the Custodian's Office suggested the change in the draft report because he hoped to exclude such classes of claims as the following:

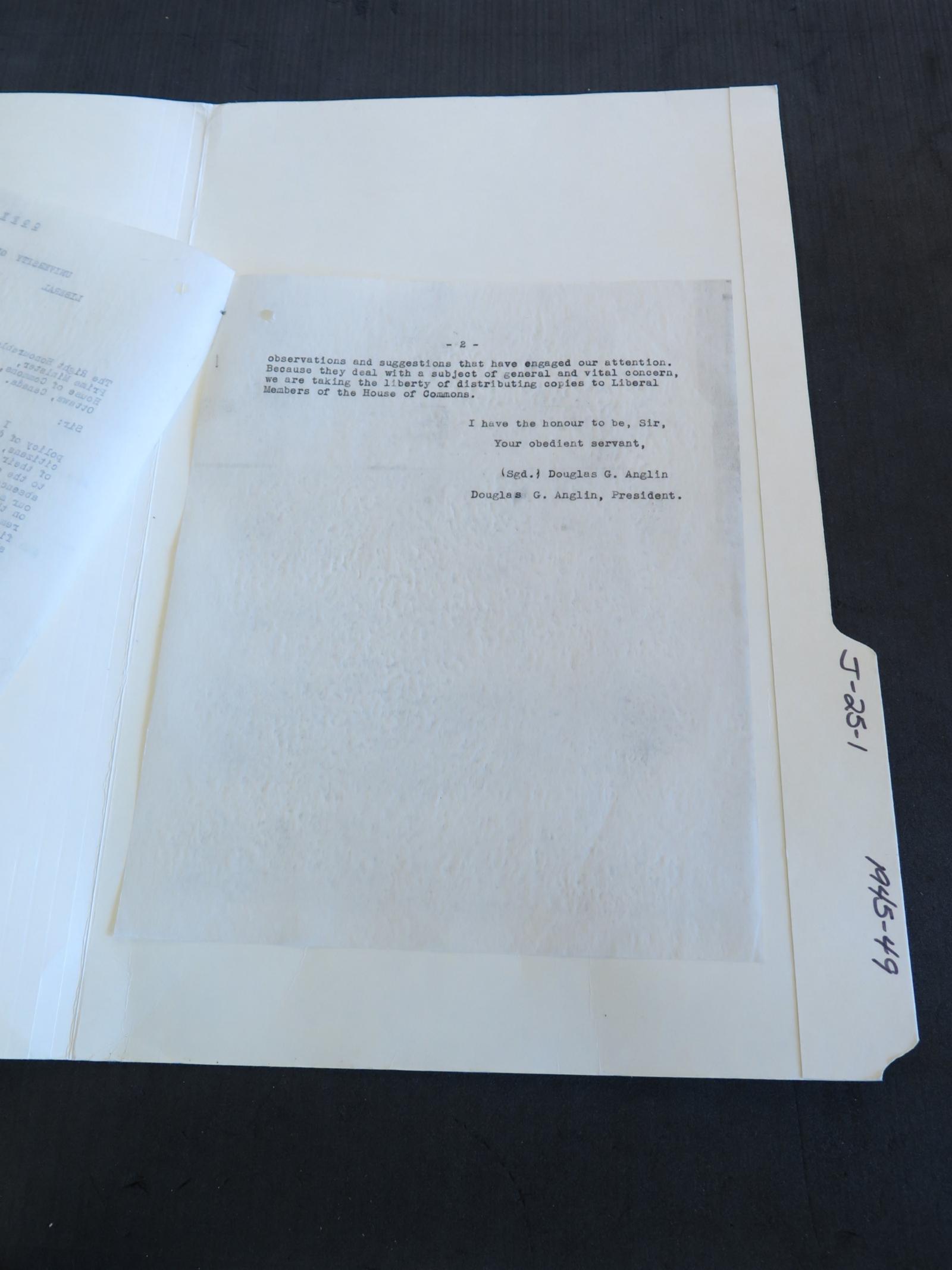
The owner had leased his property at a good rental and will claim that the Custodian should not have sold it or that he should be compensated for loss of future revenue. I should not have thought that such a claim could be entered at all since it would not arise by reason of the failure of the Custodian to exercise reasonable care in the disposition of the property. I did not put these words into Paragraph 2, as they seemed to be repetitious, but I am quite prepared to do so. Of course, it might be argued that a decision by the Custodian to sell would in itself amount to failure to exercise reasonable care, but when you read the balance of paragraph (a), it appears to me to be quite plain that the claim has to do with the actual disposition and not with the decision to sell, or as the case may be. The only claim that the Commissioner can entertain is that the amount received was less than the market value. I have had page three retyped making an addition to paragraph 2 as suggested.

I have also rewritten paragraph 2 alternatively as follows:

2. That the Commission shall examine into each claim and make a report to the Governor in Council setting forth the claims, if any, which in the opinion of the Commissioner are well-founded and the amount which, in his opinion, would fairly and reasonably compensate the claimant for failure of the Custodian to exercise reasonable care."

The Custodian's office appears to prefer the word "compensation" to "pecuniary loss" and they would like to be able to say to the Commissioner that what they did was fair and reasonable (even if it was not, I suppose).

F.P.V. arece.



UNIVERSITY OF TORONTO ASSOCIATION LIBERAL The Executive of the University of Toronto Liberal Association respectfully submits the following observations and conclusions on the question of racial discrimination against Canadians of Japanese origin. We earnestly hope that these opinions will receive your full and sympathetic consideration. 1. Restrictions on Movement, Residence and Occupation We strongly recommend that Orders-in-Council preventing Japanese-Canadian students making use of scholarships won at the University of British Columbia, and making possible the recent Yoskioka incident. The Rev. "Eddie" Yoskioka was a fellow student of ours at the University of Toronto, where he won three prizes for his theological studies. In order to go to Vancouver to be ordained he was compelled to get a "police permit" (and a return railway fare). His father, who came to Canada in 1919 on a scholarship and who for the last eighteen years has been United Church Minister at Kelowna, B.C., was forced to submit to similar humiliating treatment in order to see his son ordained. at alles framents disposed of property of Chimnists-Canadiana We strongly oppose that type of Canadian "democracy" that permits indefeasible and arbitrary restrictions on the movement, residence and means of livelihood of any group of citizens purely on the basis of race. 2. Canadian Status of Deportees your lietes of test to and talent Longhout will be to now to rechet We would welcome a clear statement that those Canadians deported ("repatriated") between December 15th, 1945 and January 24th, 1947, did not lose their Canadian citizenship. Further, we are desirous that serious consideration be given to rendering the repeal of P.C. 7356 retroactive to December 15th, 1945 and enabling Canadian citizenship to be restored to naturalized Canadians deported (subject only to a simple request and to the conditions of the Canadian Citizenship Act.) IN MINE DEIDO WHAT ARRESTS NO UE the United 3. Denial of Federal Franchise We most emphatically protest against those sections of the Dominion Elections Act which (in effect) not only disfranchise Japanese-Canadians in British Columbia, but also those who were moved East. We feel that democracy is destroyed the instant we start to pick and choose among the electorate those whom we will allow to vote and those whom we will not. The "will

of the people" loses all meaning if "the people" can be redefined whenever we feel like it. We therefore wish to stress to you the compelling necessity of righting these wrongs particularly as this disfranchisement is based upon the worst of all bases racial origin. Also, we hope you will see fit to specifically repeal that section of the Act disfranchising Japanese-Canadians moved East of the Rockies, before it lapses on July 1st. 4. Compensation for Property Losses respect which we claim another We have long been aware of many cases of grave injustice in connection with the disposal of the property of Japanese-Canadians. Not only did the Government permit their property to be plundered and broken into, to deteriorate scandalously and "disappear" through neglect, but also agents of the Government sold much of the property at ridbulously low prices as has been confirmed by disclosures before the Public Accounts Committee of the House of Commons. In our letter of December 16th 1946, we recommended that: "3. A Commission be set up, a) to inquire into the matter in which the Custodian of Alien Property disposed of property of Japanese-Canadians b) to investigate complaints of injustice concerning and, such property disposal and to recommend compensation in the many flagrant cases of injustice." We still feel that this is an essential first step if your pledge of "fair and just" treatment which up to now we regret to say has been ruthlessly violated, is to be implemented. Such a Commission to be effective must assist the Japanese-Canadians in every way to submit their claims for all lossess directly or indirectly attributable to government policy, with the minimum of procedural obstruction and delay. Implications of the United Nations Charter We have noted with pride that Article 56 of the United Nations Charter ("The Pledge") was an amendment submitted by Canada and adopted by the San Francisco Conference. By this Article, we pledged ourselves "to take joint and separate action" in the promotion of "universal respect for and observation of, human rights and fundamental freedoms for all without distinction as to race, sex, language or religion." We are deeply perturbed that the sponsor of this pledge should be, among democratic countries, the most persistent violator of it.

Brief of the University of Toronto Liberal Association (Submitted under letter of June 16 to the Prime Minister) #1. Restrictions on Movement, Residence and Occupation (a) Statement in Brief -"We strongly recommend that Orders-in-Council preventing Japanese-Canadian students making use of scholarships won at the University of Pritish Columbia, and making possible the recent Yoskioka incident. The Rev. "Eddie" Yoskioka was a fellow student of ours at the University of Toronto, where he won three prizes for his theological studies. In order to go to Vancouver to be ordained, he was compelled to get a "police permit" (and a return railway fare). His father, who came to Canada in 1919 on a scholarship and who for the last eighteen years has been United Church Minister at Kelowna, B.C., was forced to submit to similar humiliating treatment in order to see his son ordained. We strongly oppose that type of Canadian "democracy" that permits indefeasible and arbitrary restrictions on the movement, residence and means of livelihood of any group of citizens purely on the basis of race." (b) Note -Under Order in Council P.C. 946 of February 5, 1943, which is continued in effect under the Continuation of Transitional Measures Act, restrictions on travel and movement by Japanese persons may be imposed by order of the Minister of Labour. At present the ordersin force restrict only movement into British Columbia and travel there. There would be nothing to prevent further modification of the travel control orders now in effect without any change in the legislation.

(Submitted under letter of June 16 to the Prime Minister) #2. Canadian Status of Deportees (a) Statement in Brief "We would welcome a clear statement that those Canadians deported ("repatriated") between December 15th, 1945 and January 24th 1947, did not lose their Canadian citizenship. Purther, we are desirous that serious consideration be given to rendering the repeal of P.C. 7356 retroactive to December 15th, 1945, and enabling Canadian citizenship to be restored to naturalized Canadians deported (subject only to a simple request and to the conditions of the Canadian Citizenship Act)."

(b) Note -

The use of the term "deportee" and "deported" here is not accurate. Apart from dependent children under eighteen years of age, all Japanese who left Canada did so pursuant to a written statement of desire to leave. There are at present further persons of Japanese origin wishing to leave Canada for whom it has not yet been possible to secure transportation.

Order in Council P.C. 7356, which was revoked on January 24 last, deprived of Canadian status those naturalized persons who left Canada prior to that date. There has not been any strong or general suggestion that this measure was in any sense improper. The naturalized Japanese who were affected by the order had ample opportunity for notice of its existence.

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Brief of the University of Toronto Liberal Association (Submitted under letter of June 16 to the Prime Minister) #3. Denial of Federal Franchise (a) Statement in Brief -"We most emphatically protest against those sections of the Dominion Elections Act which (in effect) not only disfranchises Japanese-Conadians in British Columbia, but also those who were moved East. We feel that democracy is destroyed the instant we start to pick and choose among the electorate those whom we will allow to vote and those whom we will not. The "will of the people" loses all meaning if "the people" can be redefined whenever we feel like it. We therefore wish to stress to you the compelling necessity of righting these wrongs particularly as this disfranchisement is based upon the worst of all bases - racial origin. Also, we hope you will see fit to specifically repeal that section of the Act disfranchising Japanese-Canadians moved East of the Rockies, before it lapses on July 1st." There are two sections of the Dominion Elections Act of relevance here. Section 14(2)(1) provides that the following persons are disqualified for the federal franchise: "Every person who is disqualified by reason of race from voting at an election of a member of the Legislative Assembly of the province in which he or she resides who did not serve in the military, naval or air forces of Canada in the war of 1914-1918, or in the war that began on the 10th day of September, 1939." The Dritish Columbia legislature has recently enfranchised Chinese and East Indian persons. As a result, the above section disfranchises only Japanese persons resident in British Columbia. In the Special Committee on the Elections Act, Mr. MacInnis moved on May 29 for deletion of this section.

The motion was lost by 10 to 6. The second relevant portion of the Elections Act is section 14(2)(n) which was introduced in 1945 (1944-45, Chapter 26) and which reads as follows: "Every person residing in Canada whose racial origin is that of a country at war with Canada who, at the time of the passing of this Act, namely July 1st, 1938, and on the date of the declaration of such war, resided in a province in which on those dates a person of his racial origin was disqualified from voting at an election of a member of the Legislative Assembly of that province, and who did not serve in the naval, military or air forces of Canada in the war of 1914-1918 or in any subsequent were in which Canada was been any subsequent war in which Canada may be engaged." On May 22 the Special Committee agreed that this section should be deleted. The reference in the brief to automatic termination of this section on July 1, would seem to be in error.

Brief of the University of Toronto Liberal Association (Submitted under letter of June 16 to the Prime Minister) #4. Compensation for Property Losses (a) Statement in Brief -"We have long been aware of many cases of grave injustice in connection with the disposal of the property of Japanese-Canadians. Not only did the Government permit their property to be plundered and broken into, to deteriorate scandalously and "disappear" through neglect, but also agents of the Government sold much of the property at ridiculously low prices as her been confirmed by disappear at ridiculously low prices as has been confirmed by disclosures before the Public Accounts Committee of the House of Commons. In our letter of December 16, 1946, we recommended that: "3. A Commission be set up, a) to inquire into the manner in which the Custodian of Alien Property disposed of property of Japanese-Canadians and, b) to investigate complaints of injustice concorning such property disposal and to recommend compensation in the many flagrant cases of injustice." We still feel that this is an essential first step if your pledge of "fair and just" treatment which up to now we regret to say has been ruthlessly violated, is to be implemented. Such a Commission to be effective must assist the Japanese-Canadians in every way to submit their claims for all losses directly or indirectly attributable to government policy, with the minimum of procedural obstruction and delay". On January 24 last the Prime Minister gave the following statement to the press:

- 2 -"With respect to the property of persons of Japanese origin who were removed from the Pacific coast, and whose property was sold by the Custodian, the government is of the opinion that the sales were made at a fair price. In all cases a complete appraisal was made before disposition. The total of the prices secured is greater in aggregate than the total appraisal value. To ensure, however, the fair treatment promised in 1944, the government is prepared in cases where it can be shown that a sale was made at less than a fair market value to remedy the injustice." No further announcement has been made as to the implementation of the policy.

Brief of the University of Toronto Liberal Association (Submitted under letter of June 16 to the Prime Minister) #5. Implications of the United Nations Charter (a) Statement in Brief -"We have noted with pride that Article 56 of the United Nations Charter ("The Pledge") was an amendment submitted by Canada and adopted by the San Francisco Conference. By this Article, we pledged ourselves "to take joint and separate action" in the promotion of "universal respect for and observation of human rights and fundamental freedoms for all without distinction as to race, sex, language or religion." We are deeply perturbed that the sponsor of this pledge should be, among democratic countries, the most persistent violater of it." (b) Note -

Brief of the University of Toronto Liberal Association (Submitted under letter of June 16 to the Prime Minister) #6. Conclusion (a) Statement in Brief -The above remarks indicate our deep concern with this policy of racial discrimination and suggest certain urgent needs to right these grievous wrongs We feel that this policy is repugnant not only to morality and justice but also to the pretensions of the Canadian Citizenship Act, our adherence to the United Nations Charter, the place of respect which we claim among the nations of the world - and to those principles of Liberal democracy which we share. we share. (b) Note -

MINISTER OF VETERANS AFFAIRS OTTAWA, 10th March, 1947. Dear Mr. Heeney,-Herewith, for your information, copy of resolution passed at the annual general meeting of the Provincial Command (B.C.) of the Army, Navy & Air Force Veterans in Canada, in regard to the return of Japanese to the protected coastal area. Yours sincerely, Mr. A.D.P. Heeney,
Secretary to the Cabinet,
East Block,
Ottawa, Canada.

No. 2 - EAST VANCOUVER UNIT NO. 68 Re: Japanese WHEREAS the responsible citizens of British Columbia view with grave concern the imminent repeal of War Legislation restricting the movements of Japanese within Canada, with the probability that these people will soon be infiltrating into the Coastal Areas of this Province, classified as Defence Districts: AND WHEREAS the return of this centrally-controlled dual citizenship foreign bloc will operate as an insidious menace to all citizens of this area, particularly to our War Veterans now seeking re-establishment in farming, fruitgrowing, fishing and small businesses, and on their past record the presence of these people in our midst, whether Canadian-born, naturalized or otherwise, is equally objectionable. BE IT THEREFORE RESOLVED by this Provincial Command of the ARMY NAVY AND AIR FORCE VETERANS IN CANADA, in Annual Meeting assembled, that the Federal Government be urged to extend the present restrictive measure for a further term of ten years, after which probationary period the position of the Japanese in Canada might again be reviewed. AND that copies of this resolution be forwarded to the Right Honourable W.L. Mackenzie King, Prime Minister of Canada, the Right Honourable Ian A. Mackenzie, P.C., K.C., Minister of Veterans Affairs; British Columbia members of Parliament, Honourable John Hart, Premier of British Columbia; The Honourable Gordon S. Wismer, K.C., Attorney-General of British Columbia. It was regularly moved and seconded that the foregoing resolution be adopted. CARRIED

File J-25-1 (1945) #287376 No Exemptions --

DEPARTMENT OF LABOUR DEPUTY MINISTER'S OFFICE OTTAWA September 11, 19 45 To: Mr. B.F. Wood The Minister would like you to call a meeting of the Cabinet Subcommittee in connection with Japs for Wednesday at 10:00 a.m. amach A. MacNamara. #287376 -- No Exemptions --

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SECRET

MEMORANDUM TO THE CABINET COMMITTEE ON JAPANESE PROBLEMS

RE: Property of Japanese Evacuated from the Protected Area of B.C.

At the end of July, 1946, the number of Ledger Accounts in the Vancouver Office of the Custodian for Japanese was reduced to 3,842, and the amount of Evacuee money involved was, at that time, \$1,418,671.00. The credit balances now stand at \$1,037,313.17, and every effort is being made to remit the total available funds to all Japanese residing outside of the Department of Labour projects.

While liquidation is mainly complete, there are approximately 35 properties still available for sale and between 30-40 properties owned by Organizations, which, up to the present time have not been liquidated for the reason that amendments to existing Orders in Council are necessary.

Japanese started to sell their property at ridiculously low figures in fear of Government confiscation. Further exploitation of the Japanese was prevented when pursuant to Order in Council P.C. 1665, dated 4th of March, 1942, the Custodian took over the problem of administering the assets of approximately 23,000 people.

The Custodian experienced extreme difficulty in dealing with the large number of substandard buildings and the vast quantity of inferior personal property which the Japanese possessed.

It being well known that the property belonged to Japanese, there were many cases of breaking and entering which resulted in thefts, e.g. plumbing and lighting fixtures, and it was impossible for the Custodian or the local police to give the necessary protection. In addition to this, there were a considerable number of fires.

The Custodian did not know how long the war would last, nor whether the Japanese would ever be permitted to return to the Protected Area. It was therefore impossible to determine if there would be any equity if the Custodian continued to hold the properties during the enforced absence of the Japanese.

As a result of a year's experience, a report was made to a special committee of the Cabinet and the Custodian was instructed to proceed with the policy of liquidation. (P.C. 469), dated 19th January, 1943).

Two independent Committees were established. One is known as the Advisory Committee on Greater Vancouver Properties. The following members were appointed to the Board on the 8th of March, 1943: Honourable Mr. Justice Sidney Smith of the Appellate Court of B.C., Chairman; Alderman Charles Jones; Mr. Kishizo Kimura (resigned 20th July, 1943).

The other Committee is known as Advisory Committee on Rural Properties. The following members were appointed on the 15th of March. 1943: His Honour Judge David Whiteside, New Westminster, Chairman; Messrs. D.E. Mackenzie; J.J. McLellan; Hal Menzies; Yasutaro Yamaga. Mr. McLellan resigned almost immediately and Mayor W. Mott of New Westminster was appointed in his stead. Mr. Yamaga resigned on the 26th of May, 1943. Mr. Mackenzie died on the 11th of October, 1944.

The Custodian asked both Committees whether or not they would recommend liquidation. The members visited many Japanese properties and unanimously endorsed, with the approval of the Japanese members, a policy of liquidation. Shortly afterwards both Japanese members resigned and no new Japanese appointments were made.

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The Committee were asked to report as to the method of liquidation and they recommended that Catalogues be prepared, listing the properties; that the properties be individually appraised by Agents approved by the Boards; that parcels be not sold for less than the fixed value and that public notices be published in the press than the fixed value and that public notices be published in the press cailing for tenders. The policy, as outlined, was adopted. All offers for land have been referred to the Advisory Committees and their approval obtained before any have been accepted.

Insofar as the rural properties are concerned, a sale of 741 parcels was made to the Director, Veterans' Land Act, as the Government desired to acquire property for the purpose of rehabilitating returned men. The Advisory Committee recommended acceptance of the sale price eventually agreed upon.

Chattels have been sold on the basis of recommendations by the Committees, that is, by public auctions conducted by licenced auctioneers, except in those cases where chattels were essential to the operation of farms, in which case the tenant or owner of the farm was given an opportunity to buy at an appraised value.

The policy of liquidation has resulted in the Custodian paying cut large sums of money to the Evacuees and paying debts on their behalf. In co-operation with the Department of Labour, the Custodian releases such funds to Evacuees, still in Interior Housing Schemes operated by the Department of Labour, as are considered necessary. Where Evacuees have moved East from the Province of British Columbia, the Custodian releases the balance.

Sales up to June, 1946, were as follows:

SALES		APPRAISAL	SALES VALUE
Greater Vancouver	462	\$913,712.00	\$1,010,970.00
Rural	396	532,907.00	558,318.00
Veterans' Land Act	741	847,878,00	836,256,00
	1,599	\$ 2,294,497.00	\$2,405,544.00

Proceeds from sales, including farms sold to the Director, Veterans' Land Act, exceeded fixed valuations by \$111,047.00

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Fishing vessels & scows nets and gear Cars Trucks	3	202,104.96 101,164.48 63,583.98 94,525.63 187,834.31
Sundry Business assets		249,833.03
Household effects		17,024.64
Radios		14,858,33
Farm Equipment		48,354.36
Life Insurance		54,538,27
Securities Paceivehle		136,356.28
Sundry a/os. Receivable		33,377.89
Sundries		808,673,22
Veterans' Land Act Real Estate Sales	1	,574,350,78
		491,170.25
Real Estate Income Dividends from Securities		8,310.46
Rooming House Rentals & Chattels		33,217.06
Sundry Miscellaneous		
Transfers between Jap.		
a/cs. & a/cs. Receivable		749,092,0
	84.	868,369,98

749,092,05 \$4,868,369.98

Mr. St. Laurent also pointed out that the problem of resettlement was an important one. Under the urgency of moving people during the war, the government had entered into commitments with certain provinces to remove the Japanese who were moved into them immediately upon the termination of hostilities. These undertakings had to be carried out unless the provinces released the Dominion from its obligations. The Prime Minister said that a further point the 8. government had to consider was the obligation they had to the families of men who had been killed in the Far East, particularly in the prison camps in Hong Kong. At the time that these men were being killed, many of the Japanese had indicated a desire to go to Japan. He did not, himself, see how a person could sign such a declaration of desire if he did not believe that Japan was going to win the war. Mr. King pointed out that if it had not been for the atomic bomb we would, undoubtedly, still be fighting Japan and more Canadians would be killed constantly. The families of all these men had to be considered in any action that was taken. Mr. Coldwell said that he thought it would be most regrettable if any policy were carried through which looked as if it were based on discrimination with regard to colour or race. In the present state of the world, and with the great amount of distrust and suspicion so prevalent at the present, its effect would be very bad. Mr. Mackenzie stated that so far as the feeling 10. of British Columbia was concerned, he felt that the people there were strongly of the opinion that the Japanese should not be allowed to settle again on the Coast. Their feeling was not racial, although, in part, it was economic in origin. In addition, however, there was a feeling that not only had the Japanese forced white fishermen out of the fishing industry, but they had used their fishing licenses and their work as an opportunity to map the coast of British Columbia to the advantage of the Japanese government. 11. The Prime Minister closed the meeting by assuring the delegation that the views which they had presented would be given careful consideration.