Vol. No. RECORD GROUP 38 File No. VOLUME CROSS REFERENCES Volume No. FILE <u>V-8-1</u>Z SUBJECT OR NAME (OFFICIAL NO.) SUB-SUBJECT. OR LAND DESCRIPTION\_ (6) (5) (4) DATE RETURNED TO CENTRAL RECORDS (3) USER'S INITIAL TO SHOW ACTION COMPLETED (2) ENTER DATE TO PURPOSE FOR WHICH REFERRED

(IF PURPOSE FOR WHICH REFERRED CANNOT BE
EXPRESSED IN ONE LINE ADD MEMO TO FILE
AND ENTER HERE "WITH MEMO") (1) BRING FOR-WARD WHEN REQUIRED DATE LEFT CENTRAL RECORDS REFER FILE TO Account No. V-8-12 File No. PANE SE LANDS IER SETTLEINENTS

V-8-10 V-8-12

Mr. D. J. Baldwin, District Superintendent, VANCOUVER, B. C.

H. O. OTTAWA, May 1.

Japanese Land

- The Director has referred to me your letter of the 1. 27th ultimo and I have enquired of the Department of Justice as to whether or not the report of the Royal Commission, headed by Mr. Justice Bird, had yet been received.
- The reply received from the Department of Justice was 2. in the affirmative but contained the additional information that the report was before Cabinet for consideration and that Cabinet had not yet indicated what disposition is to be made of it.
- The last time this file was on my desk, which was February 27th, 1950, the situation was that this matter of disposal of Japanese properties was to be deferred until the report had been received from the Royal Commission and further, until the matter could be discussed with the Custodian of Enemy Property in light of the Commission's report. You will appreciate, from the information contained in the above paragraph, that it has not yet been possible to formulate any policy concerning this matter. As to when such will be possible, it is extremely difficult to foretell but off hand, I would say that it will not occur prior to your meeting of Regional Supervisors and D. O. Division Heads around the 9th of June.

I will keep you informed of further developments as they occur.

ADMcC:GE

A. D. McGracken. Executive Assistant. 50



February 27, 1950.

Hemorandum to

## - The Acting Deputy Minister -

In accordance with our telephone conversation of this date, I am setting out hereunder information obtained from Mr. K. W. Bright, Legal Counsel to the Custodian of Enemy Property, with respect to the recommendation previously made by the Director to the effect that the residue of Japanese properties surplus to V.L.A. requirements be returned to the Custodian for such disposal as the Covernment might deem fit to authorize:

- (1) Mr. Wright advised that the various Orders in Council which authorize the Custodian to acquire property have been revoked. The Custodian is consequently unable to take back from the Director titles to those Japanese properties which are surplus to the requirements of the Director.
- (2) Mr. Wright further advised that the Custodian has reason to believe the report from the Royal Commission, headed by Mr. Justice Bird, will be received on or about April 1, this year.

In view of the information contained in (2) above, it would appear that this matter of disposal of Japanese properties might properly be deferred until the Commissioner's report has been received and until, possibly, the matter can be discussed with the Custodian in light of the Commissioner's report.

Original Signed by T. J. RUTHERFORD

> T. J. Rutherford, Director.

Dictated by ADMcCracken: GE



February 16, 1950.

Memorandum to The Acting Deputy Minister

Re: Japanese Property Claims - Rinichiro Yoshihara

I have received your letter of the 4th instant, together with enclosure, from which I note that any action which may be taken in this case is to be deferred until the Commissioner has given judgment on Yoshihara's claim, or at least until the Minister receives information from Mr. Mayhew.

with respect to the second paragraph of your letter, no action is in progress to replace Japanese who were Canadian veterans of World War I on their properties. Action of this nature has been contemplated for some time now, however, specifically since the Minister's letter of December, 1948, to Mr. Justice Bird which, although it dealt particularly with the case of Zennosuke Inouye, mentioned also that after arrangements had been concluded satisfactorily in that case, the Minister would be glad to proceed on Mr. Justice Bird's recommendation as to disposition of the others (of which there are 5 - 2 Japanese soldier settlers and 3 Japanese who were Canadian veterans of World War 2) depending upon the relative circumstances at that time. To date, we have no knowledge of any further recommendation being received from Mr. Justice Bird.

There are very few, if any, further comments or recommendations which I can make on this subject in addition to my previous recommendation that the Japanese properties surplus to the requirements of the Director be returned to the Custodian of Enemy Property for such disposal as the Government might deem fit to authorize. With respect to this previous recommendation, I note from the copy of your letter of December 23rd to the Deputy Minister of Justice, which I received, that the Minister desires to follow an alternative proposal, namely that these Japanese properties be offered for public sale.

It is appreciated that this is certainly a more to-thepoint proposal, insofar as actual disposal of the properties by the
Government is concerned, than that contained in my recommendation.

In this connection, however, I consider I should mention that, inasmuch
as V.L.A. would be responsible for determining, after receipt of tenders,
the person to whom the property would be sold, the Minister's proposal
may have some serious adverse affect on the excellent relations which
now exist between the veterans established under The Veterans' land
Act and the V.L.A. Administration should the successful tender be received from a Japanese.

Original signed by

(Jamieson

Lov T. J. Rutherford,

Director.

Dictated by ADMcCracken: GE

c.c. V-8-12

Ottawa Head Office 49 May 26, Chief Treasury Officer. J.M. Lomax INOUYE, Zennosuke I refer to your memorandum of April 23, 1949, and my letter of today's date to the District Superintendent, Vancouver, and would appreciate if immediate action could be taken to reinstate this account. It will be noted from the attached Order in Council P.C.172/2540, that authority has now been received from Treasury Board to credit the account of Zennosuke Inouye, in the amount of \$23.05, representing the difference between the amount of rentals, \$1,306.00, and the amount of \$1,282.95, disbursed for taxes and insurance during the period this farm was administered by the Custodian of Enemy Property. stated affective 21/8/44 1949 love Johard fur full For-A/General Superintendent, Farms Division. Encl. JML/MKO

DL.1-1006 BC.530-P "AIR MAIL" V-8-12 District Superintendent, Ottawa Head Office 49 Vancouver, B.C. May 26, Mr. W.H.Ozard J.M. Lomax INOUYE, Zennosuke. I am in receipt of your letter of 20th instant, in which you advise that Mr. Inouye has arranged a sale of 10 acres of his property, and wish to know what action is being taken to hasten the reinstatement of this account. In reply I wish to advise that I am instructing Treasury today to take the necessary action, and presume we will receive submission from you with regard to the above sale in due course.

> For-A/General Superintendent, Farms Division.

JML/MKG



# P.C.172/2540

Certified to be a true copy of a Minute of a Meeting of the Treasury Board, approved by His Excellency the Governor General in Council, on the 18th May, 1949.

# VETERANS AFFAIRS

The Board recommend that authority be granted to credit the account of Zennosuke Inouye, a soldier settler, in the amount of \$23.05, representing the difference between the amount of rentals, \$1,306.00, collected during the period that this settler was absent from his farm as a result of the Custodian of Enemy Property having taken over the farm at the time that all members of the Japanese race were evacuated from the protected areas of British Columbia, and the amount of taxes and insurance, \$1,282.95, paid from the Administration Vote during this same period, chargeable to the current Administration Vote.

(sgd) N.A. Robertson
Clerk of the Privy Council

The Honourable the Minister of Veterans Affairs.

BC/530-P. V-8-12 1-1006 A/District Superintendent - Vancouver. H.O., Ottawa, 49. February 15, Mr. W.C. Miller A.Jamieson. INOUYE, Zennosuke In reply to your memo of 8th instant, this will authorize you to advise the former soldier settler, Zennosuke Inouye that the indebtedness against the property with interest to October 1st, 1948, is \$2184.26, less \$71 received in rentals since that date. From the statement received from the Custodian, it is noted that he has a credit balance of \$1452.03 which will be paid over on the order of the settler. As stated in your letter, it will be necessary, therefore, for Incure to pay \$537.22 to recoup the Director, Veterans' Land Act. Will you please keep us advised as to the progress and developments in this case. Secretarial Section. AJ/VP

Copy made for Chief Treasury Officer. BC/530-P. V-8-12 1-1006 District Superintendent - VANCOIVER. H.O., Ottawa, 49. January 22, A.Jamieson. INCUYE, Zennosuke Since receiving your letter of December 24th, a considerable amount of work has been done by Treasury Branch in recasting the account of this former Japanese soldier settler. A copy of a memorandum sent to me by the Chief Treasury Officer, dated January 19th, 1949, is attached. From the statement of the account given therein you will note that the total debt is \$2,184.26 at October 1st, 1948, including arrears of \$664.10. You will also note that the sum of \$1,989.25 is to be recovered from the Custodian of Enemy Properties. Before proceeding to obtain Treasury Board authority or Order-in-Council, it is considered advisable to find out from you if Mr. Inouye has returned to the property or made any direct representations to you about obtaining possession. The letter addressed to him on December 20th by Mr. C.V. Booth of the Japanese Division, Department of Labour, enclosed a permit covering his return to the Coastal Area of British Columbia. You might also ask the office of the Custodian if there will be any difficulty about the refund of \$1,989.25 to the Director, Veterans' Land Act. Perhaps you might let the appropriate official know of our intention to secure requisite authority from Treasury Board. It is of some importance that an attempt be made to find out what the intentions of Mr. Inouye may be with regard to the property. If he intends to take up residence, then we will proceed to take title again in the name of the Director, Soldier Settlement. On the other hand, if it is his intention to dispose of the property, then there is a possibility that the transfer might very well be made direct to the purchaser from the Director, Veterans' Land Act, in whose name it now stands. Will you please let the Director have the benefit of your opinion and advice on the points mentioned above. mel. Secretarial Section.

INTER-DEPARTMENT CORRESPONDENCE

# VETERANS' LAND ACT ADMINISTRATION

DEPARTMENT OF VETERANS AFFAIRS

PLEASE QUOTE Y-8-12.

YOUR FILE NO.

A/District Superintendent - VANCOUVER.

H.O., Ottawa,

December 13, 1948.

For attention of W.C. Miller

Mark Your Reply For

SUBJECT

Japanese Lands.

A. Jamieson.

Attached is a copy of a letter sent out in the early days of December over the signature of the Minister to Justice Bird on the Japanese question. This copy is sent to complete your file.

When forwarding the information requested in my letter of November 26th last, will you please advise at the same time if you have had any discussion with officials of the Custodian about refunding the amount paid to him on account of the Inouye property.

Encl.

Superintendent Secretarial Section.

VLA 106S Rev. 5-48

Copy made for Director.

SOLDIER SETTLEMENT AND VETERANS' LAND ACT DEPARTMENT OF VETERANS AFFAIRS

Memorandum:

Movember 30, 1948.

# Deputy Minister.

As requested in your memorandum of November 25th, attached is draft reply to Honourable Justice Bird, for the Minister's signature.

VLA 231 - 100M - 3 - 48

A. Files: BO-53G-P V-8-18.

Copy to be returned to Soldier Settlement & V.L.A.

Dear Justice Sird,-

In reply to your further letter of Hovesbur 2006. I may tell you that I would profer to proceed with the one case in the first instance, namely that of Sennosuke Insaye, before considering any further considering.

to be considered before the account of this former soldier settler one be reinstated. For example, the whole transaction will require formal approval of the Governor General in Council to provide for the Feture of the purchase money poid to the Custedian; to the Director, Soldier Sattlement; and to provide for the application of rental monies from consolidated revenue to the credit of the account, subject to provision for texas.

entisfactorily in this one case. I shall be glad to proceed on your recommendation with disposition of the others depending, of course, upon the relative eigenstances at that time.

Yours sincerely,

The Hononrable Justice H.I. Hird, District Court of Appeal, Court House, F.C.

(Milton F. Gragg).

Dictated by: A.Jamieson/VP

Copies made for: Director.

District Superintendent, Vancouver.

Minister's Office.

Deputy Minister's Office.

Ottaga, Becomber , 1940.

Dear Justice Bird,-

In reply to your further letter of November 2200, I may tell you that I would prefer to proceed with the one case in the first instance, namely that of Sennosuke Incaye, before considering may further considering.

to be considered before the eccount of this former soldier settler can be reinstated. For example, the whole transaction will require formal approval of the Governor General in Council to provide for the return of the purchase money paid to the Custodian; to the Director, Soldier Settlement; and to provide for the application of rental monies from consolidated revenue to the credit of the account, subject to provision for taxes.

After arrangements have been concluded satisfactorily in this one case, I shall be gled to proceed on your recommendation with disposition of the others depending, of course, upon the relative elementances at that time.

Yours sincerely,

The Honourable Justice H.I. Bird, (Milton F. Gragg). District Court of Appeal, Court House, F.C.

A

Dictated by: A.Jamieson/VP

File: V-8-12.

Copy made for Director.
Copy made for file BC-530-P.

-

MEMORANDUM:-

November 26, 1948.

#### Deputy Minister.

This will acknowledge your memorandum of 22nd instant, advising that the Minister has concurred in the recommendation to proceed with the reinstatement of a former Japanese soldier settler, Inouye Zennosuke.

Appropriate instructions have gone forward to the Acting District Superintendent at Vancouver and in due course, when the full particulars are known, the required submission to Council will be prepared.

Dictated by: A.Jamieson/VP

T.J. Rutherford, Director.

Ay

# VETERANS' LAND ACT ADMINISTRATION

DEPARTMENT OF VETERANS AFFAIRS

H.O., Ottawa,

CORRESPONDENCE

INTER-DEPARTMENT

District Superintendent - VANCOUVER.

November 26,

MARK YOUR REPLY:

For attention of

Mr. W.C. Miller

A.Jamieson

For attention of

SUBJECT

Inouye Zennosuke.

V-8-12 File: BC-530-P.

This will acknowledge with thanks your memo of 18th instant, referring to previous correspondence about the above-named former Japanese soldier settler. As you state, the Minister is interested in seeing that the reinstatement proceedings are handled promptly.

Under date of November 10th a memorandum over the signature of the Deputy Minister was sent to the Minister and on the 22nd instant the Deputy Minister advised that the Minister concurred in the recommendations and instructed that the necessary action be taken. A copy of the memorandum of November 10th is attached, from which you will note that the plan is to proceed immediately with the case of Inouye Zennosuke only.

There are a considerable number of details to be worked out which may take some time, but in so far as is possible reinstatement will be dealt with expeditiously. In the first place, it will be necessary to obtain the approval of the Governor General in Council to the whole transaction in general and, in particular, to reversing the application of the various sums of money involved, including rentals. This has been discussed with the Chief Treasury Officer and the following figures are quoted:-

1. Refund from the Custodian

\$1,989.25

Refund from Director, Soldier

Settlement

1,738.56

Charge to soldier settler's account

for taxes

180.19

Total

\$3,908.00

Rents collected, less taxes paid while the property was held as a project, will be credited to the reinstated account of the soldier settler. Here again, a special Order-in-Council may be required to obtain this money, which has been credited to the Consolidated Revenue Fund in previous fiscal years. With regard to rents and taxes, will you please furnish a

statement as to the exact amounts. When these amounts are known, the account will be recast here and steps taken to secure the required Orders-in-Council.

With regard to the property itself, it is not anticipated that there will be any difficulty in securing possession if this is what Mr. Inouye wants. It may be that his main concern is to have the account reinstated so that he can dispose of the property.

Needless to say, care must be taken in the handling of the whole case, but it is assumed that you will keep in close consultation with His Honour Chief Justice Bird and with Mr. J.F. MacKinnon of the Department of Labour, when you make known to them the decision that has been reached by the Minister.

Encl.

AJ/VP

cc: Chief Treasury Officer.

Superintendent Secretarial Section.

# DEPARTMENT OF VETERANS AFFAIRS DEPUTY MINISTER'S OFFICE Memorandum: November 22, 1948. Mr. T. J. Rutherford, Director, Veterans' Land Act

Will you please refer
to the memorandum of November 10 to
the Minister, which you drafted for
my signature, concerning the return
of the Inouye Zennosuke property.
You will recall that Mr. Justice Bird
recommended the return of this property

to the veteran.

The Minister has appended as a footnote on the memorandum -

"I concur. Please take the necessary action. M.F.G."

Will you please accept this as his authority to proceed accordingly.

W. S. Woods, Deputy Minister.

WSW: b

INTER-DEPARTMENT DEPARTMENT OF VETERANS AFFAIRS

CORRESPONDENCE

SL-1 10-8-48

CORRESPONDENCE

· TO

The Director, Ottawa.

D.O., Vancouver

November 18, 19 48

For attention of

Mr. S. H. Radford

SUBJECT

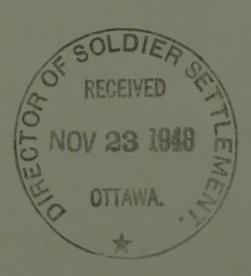
INOUYE, Zennosuke

Mark Your Reply For

ATTACH and RETURN

With reference to my letter to you of October 25, 1948, this file has come up for review. I have noted the copy of the Director's memo to the Deputy Minister on the above Japanese Soldier Settler and I have also been in conversation over the telephone with Mr. Justice Bird who informs me that although he wrote to the Minister some days ago submitting his recommendations, so far he has had no reply. In view of the Director's letter, paragraph 2, of September 24th wherein he states the Minister does not wish this matter to drag on indefinitely, I was wondering if there are any new developments regarding this case.

WCM: MN



(W. Clinton Miller)
A/District Superintendent

VLA 106S Rev. 5-48

Copy made for Director.

File: V-8-12.

SO DIER SETTLEMENT AND VETERANS' LAND ACT

MEMO

November 10, 1948.

# Deputy Minister.

As requested in your memorandum of November 1st, a report to the Minister for your signature is attached, in connection with the proposed return of Japanese veterans to their former holdings in British Columbia.

A

T.J.Rutherford, Director.

VLA 297 200PDS-5-48 REQ, 232

Copy to be returned to Soldier Settlement & V.L.A.

File: V-8-12.

HUNGRANDENI :-

November 10, 1948.

### The Minister.

the Honourable Justice Bird and previous correspondence and records on the subject of permitting Japanese veterans to return to the lands they formerly eccupied in the protected area of British Columbia, I would recommend concurrence in the view expressed by Justice Bird, the Chairman of the Royal concurrence in the view expressed by Justice Bird, the Chairman of the Royal concurrence in the view expressed by Justice Bird, the Chairman of the Royal concurrence in policy applicable only to Japanese veterans, to provide for change in policy applicable only to Japanese veterans, to provide for re-transfer of the title of such lands to the veteran, that is to say, to re-transfer of the title of such lands to the veteran, that is to say, to replace him in the position which he occupied as at the date of sale to the veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration. This recommendation is concurred in by the Veterans' Land Act administration and Land Act administration an

In addition to the three soldier settlers, veterans of Mar I, namely, Seichi Kinoshita, Zennosuke Inouye and George Tasuzo Shoji, and Tom Imada, a veteran of Mar II, there is record of two other veterans of the second war, nessely, Shei Omura, whose land is described as So of Lot 2 of Set Lot 263, Gp.1, Map 1051, Maple Ridge, and Goro Suzuki, whose land was Lot 8 of N.S., Sec. 35, Tp.4, Map 1185, Delta.

In each instance the land holdings are rested on a monthly basis and arrangements will therefore have to be made for possession at the appropriate time. With the exception of Incuye Rennosuke, there is little or no record of pressure from the other veterans concerned to return to their former holdings. In the case of Incuye Connosuke, however, there have been, as you are aware, In the case of Incuye Connosuke, however, there have been, as you are aware, many representations on his behalf, as well as correspondence he has addressed personally to officials of the Department, all to the end that he be allowed to return to his former holding. In the spring of 1939, this man was reported to return to his former holding. In the spring of 1939, this man was reported to be 55 years of age, married, with his wife 40 years old and with three sons and two daughters, then aged 17, 15, 13, 11 and 9, respectively. His latest known address is Box 1636, Vernon, B.C.

As a test ease, I would recommend for your concurrence that immediate steps be taken by the Director, the Veterans' Land Act, to provide

File: V-8-12.

Copy made for Director.

Deputy Minister.

" Minister.

" District Superintendent - VANCOUVER.

- I MENTERALIZATION

November 10, 1948.

#### The Hinister.

After careful consideration of the letter eddressed to you by the Honourable Justice Hird and previous correspondence and records on the subject of permitting Japanese veterans to return to the lands they formerly occupied in the protected area of British Columbia, I would recommend concurrence in the view expressed by Justice Bird, the Chairman of the Royal Commission appointed to investigate Japanese claims. His recommendation is a change in policy applicable only to Japanese veterans, to provide for re-transfer of the title of such lands to the votered, that is to say, to replace him in the position which he occupied as at the date of sale to the Veterans' Land Act administration. This recommendation is concurred in by the Acting District Superintendent, Vancouver, and by the Director. If this policy is adopted, Mr. J.F. Mackinnon, Commissioner in charge of Japanese Placements, Department of Labour, is prepared to issue permits to such veterans and their families, for which he has the requisite authority under Order-in-Council.

In addition to the three soldier aettlers, veterans of War I. namely, Seichl Kinoshita, Sennosuke Inouye and George Yasugo Shoji, and You Isada, a veterna of Mar II, there is record of two other veterans of the second war, namely, thei Omura, whose land is described as no of Lot 2 of Sh of Lot 263, Cp.1, Map 1051, Maple Hidge, and Goro Suzuki, whose land was Lot S of H.R.1, Dec. 36, Tp.4, Map 1186, Delta.

In each instance the land holdings are rested on a monthly basis and arrangements will therefore have to be made for possession at the appropriate time. With the exception of Inouye Mennosuke, there is little or no record of pressure from the other veterans concerned to return to their former holdings. In the case of Inouye Connosuke, however, there have been, as you are aware, many representations on his behalf, as well as correspondence he has addressed personally to officials of the Department, all to the end that he be allowed to return to his former holding. In the spring of 1939, this man was reported to be 55 years of age, married, with his wife 40 years old and with three sons and two daughters, then aged 17, 15, 13, 11 and 9, respectively. His latest known address is Box 1856, Vernon, B.C.

As a test case, I would recommend for your concurrence that immediate steps be taken by the Director, the Veterans' Land Act, to provide for the return of Incure Rennasuke to his property, including the necessary legal steps to replace him in the position which he occupied as a former soldier settler at the date of sale of the property to the Veterann' Land Act administration, and that arrangements be made with Mr. MacRianon to issue the required permit or permits. This is in accordance with the recommendation of Justice Bird, although restricted to the one family at the present time. I suggest that the other Japanese veterans might very well be dealt with at a later date, after the details have been worked out in this case, and seeing that there is apparently no insistence on their part for reinstatement.

Dictated by: A.Jamieson/VP

W.S. Woods, Deputy Minister.

17

# mfg/mcb DEPARTMENT OF VETERANS AFFAIRS MINISTER'S OFFICE

Memorandum:

Ottawa, November 1, 1948.

Deputy Minister.

For comment and whatever action is indicated.

If these are to be cleared up I think we might write to Mr. Morrow, Mayor of Vernon, who was interested in Inonye.

M.F.G.

Law Courts, Victoria, B.C., 23rd Oct. 1948.

The Honourable Milton F. Gregg, Minister of Veterans Affairs, Ottawa, Canada.

Dear Mr. Minister:

Since receipt of yours of the 22nd ult. I have had discussions with J.F. MacKinnon, Commissioner in charge of Japanese Placements, Department of Labour, as well as with Miller the Local Director, Soldier Settlement Board.

Miller tells me that he anticipates no difficulty in restoring to the former Japanese veteran owner the farm lands from which he was evacuated in 1942, which lands were subsequently sold to the Director, Veterans' Land Act Administration. He tells me that such lands, formerly the property of veterans both of War 1 and War 2, have been retained by the Director V.L.A. Consequently it is possible to restore the status quo as at the time of evacuation.

The only difficulty which may stand in the way of such transactions lies in the fact that some of these Japanese veterans may not have the money to finance themselves on their former lands until such time as income can be derived from them. Miller and I are of opinion that this difficulty is not insurmountable, by reason of the fact that most, if not all of these properties, will have increased substantially in market value due to the rise in farm land prices, which has occurred over the past five years. Consequently if the Japanese veteran is unable to finance his future farming operations, he should be able to sell the land to advantage.

In view of the foregoing I would recommend a change in policy applicable only to Japanese veterans, to provide for retransfer of the title of such lands to the veteran, that is to say, replace him in the position which he occupied as at the date of sale to the V.L.A. Administration. Mr. Miller concurs in this recommendation.

Mr. Mackinnon advises that if the proposed change in policy is made he will issue a permit or permits to such veterans and their families to reside in the protected area of British Columbia from which the veteran was evacuated. He tells me he now has authority to issue such permits.

I am enclosing herewith a memorandum showing the name of each veteran, with a description of his real property, sold to the V.L.A.

I would appreciate your comment on the recommendation so made.

Yours sincerely,

(sgd) H.I. Bird

#### MEMORANDUM

KINOSHITA Seichi - Veteran War 1. (Case #524 Lethbridge)

FARM - Lot 1 of S/D. of S.1/2 of S.E. 1/4 of Sec.35, Tp. 10, Langley.

INOUYE Zennosuke - Veteran War 1. (Case #142 Vernon)

FARM - near Kennedy B.C.
S. 1/2 of N.W. 1/4 Sec. 32,
Tp.2, District of
New Westminster.

SHOJI George Yasuzo 
Veteran War 1. Claim at Toronto for hearing.

Realty #3,735.72

Personalty \$989.30.

IMADA Tom - Veteran War 2. BUSH LAND near Haney B.C.
S.1/2 of S.W. 1/4 Sec. 26,
Tp. 12, except parcel 1.446 ac.
shewn on plan 8314.
Lands contain 78.55 acres.

KINOSHITA and IMADA have accepted payment of the proceeds of sale of their lands to the V.L.A.

INOUYE AND SHOJI have declined payment of the selling price of their lands after deduction therefrom of the amount of encumbrances. These credits are held by the Custodian.

(H.I.B.)

File: BG/550-P.

Copy for file V-8-12.

Copy sent District Superintendent, Vancouver.
Copy passed to Director.

MIGH ORLANDUM:-

October 29, 1948.

# Deputy Minister.

# Re: Inouye, Zennosuke.

I refer to your memorandum of the Slat ultimo, with respect to the above-named former soldier settler, concerning whom Mr. Justice Bird made representations to our Minister on July S3rd last.

Attached for your information is copy of a further report received from Mr. Miller, Acting District Superintendent at Vancouver.

Engl.

T.J. Rutherford. Director.

Dictated by: S.H.Radford/VP

Copy made for File V- 8-12 File BG/SSO-P Ottawn, October 13, 1948. Menorandum: Doputy Minister Re: Inouye, Zennosuka with reference to the representations made by Mr. Justice Bird on behalf of the above-maned Canadian Japanese veteran of World war I, and your memorandum of the filet ultime, attached for your information is copy of interin report received from the A/District Superintendent at Vancouver. In vies of Mr. Miller's remarks relative to policy respecting the resals of the farm to Mr. Incure. I am forwarding to him copy of Mr. Murchison's memorandum of March 18, 1947, to the fermer Minister. It is felt the information contained in this monorandum will give the A/District Superintendent a review of the background of policy with respect to Japanese Veterans. T. J. Rutherford Riel. Director Dictated by S. H. Radford-J

Copy for File V- 8-12 Ottawa, Ontario, October 18, 48. A/District Superintendent, Vancouver, B. C. Mr. W. C. Miller S. H. Radford BC/550-P Inouye, Zennosuke I have your letter of the 13th instant and note that you have had a preliminary disquesion with Mr. Justice Bird regarding the above-nessed veteran. It is noted from the third paragraph of your letter you mention that under present regulations and policy it is not possible to resell the farm to this veteran. In the Director's memorandum of August 16 last to Mr. Macbeth, copy of which was furnished you, it was stated that provided it is decided to return properties of Japanese veterans to them, either for occupation or resale, no difficulty was anticipated in retracing the steps by which the lands were acquired by the Director. It is possible you have overlooked this point. In this connection I am enclosing, for your information, copy of the Director's memorandum to the Minister of Merch 18, 1967, which outlines the policy in this regard. Enol. Superintendent SHR/IJ. Secretarial Section

VETERANS' LAND ACT ADMINISTRATION

DEPARTMENT OF VETERANS AFFAIRS

INTER-DEPARTMENT CORRESTORE

D. O., Vancouver,

October 13, 19 48.

The Director, Ottawa.

MARK YOUR REPLY:

For attention of

Mr. S. H. Radford

For attention of

SUBJECT INOUYE, Zennosuke

File:

BC/530-P

In reply to your letter of September 24, 1948, I would advise I have not been able to contact Mr. Justice Bird until this morning due to the fact that he has been out of town.

In my interview with Mr. Justice Bird he told me he had not written to the Minister because he was not in possession of all the facts pertaining to this case and was delaying his reply until such time as he could make definite recommendations. He further advised that this veteran of World War I was not prepared to accept the price paid by the Director, The Veterans' Land Act, on August 21, 1944, namely \$3,908.00, and this will be one of the claims coming before the present Commission.

Mr. Justice Bird informed me the prohibition of Japanese from the B.C. Coastal area will definitely end on March 31, 1949, and will not be renewed. In the meantime he anticipates it will be a further six months before all claims by Japanese have been heard. He is also not sure just how Mr. Inouye will be able to get his farm back from the Director, The Veterans' Land Act, as under the present regulations and policy of V.L.A. it is not possible to resell the farm to him. Mr. Justice Bird feels some way will have to be found to get around these regulations.

He was unable to give me further information, but he did advise that as soon as he was in possession of all facts pertaining not only to this particular veteran, but to other veterans of both World War I and World War II he would arrange a meeting of Mr. J.F. Mackinnon, Commissioner in charge of Japanese Placements, Department of Labour, himself, and the writer and we would go into the whole matter after which a recommendation would be submitted to our Minister for his consideration. Just how long it will be before this meeting takes place I am unable to say, but it will likely not be until well into the new year.

I regret I am unable to give you further information in this regard and this can only be taken as an interim report.

> (SGD) W. Clinton Miller

(W. Clinton Miller) A/District Superintendent

VLA 106 100M-2-48 Req. 102

WCM: MN

Ottown, Ontario, September 24, 400 A/District Superintendent, Vancouver, B.C. S. H. Badford Mr. W. C. Hiller BG/550-9 Induye, Zennomite Attached is copy of a letter dated July Sard addressed to the Minister by the Honoureble Justice H. I. Bird of the Court of Appeal of British Columbia, in which he makes representations on behalf of Mr. Zennosuko Inouyo, a former soldier settler whose property was taken over by the Custodian of Hnemy Property at the time of the evacuation of members of the Japanese race from the protective areas of British Columbia. Attached also is copy of my memograndum to the Minister of the 16th ultime. The Minister agrees that the present situation with respect to Japanese veterans should not be allowed to drag on indefinitely, and concurs in my suggestion that the matter be discussed. by Mr. Justice Bird with Mr. J. F. MacKinnon, Comissioner in Charge of Japanese Placements, Department of Labour, with a view to moking a joint submission to our Minister. The Minister does not say that he has replied to Mr. Justice Bird, but it may be assumed that he has. Will you, however, please discuss this matter with Mr. Justice Bird having in mind the submission of an appropriate recommendation. You will recall that on March 15th last there was a discussion in the House regarding the Jupanese question and it might be desirable to egain peruse this debate commencing with the remerin of the Minister of Labour on page 2216. Encls. Dictated by S. H. Radford-J

Files BC/530P V- 8-12 . August 16, 1948.

Henorondung

Mr. J. D. Macbeth

#### Rei Zennosuke Inouye

Consideration has been given to your memorandum of the 4th instant enclosing letter received by the Minister from the Homourable Mr. Justice H. T. Bird of the Court of Appeal of British Columbia in which he refers to the claim of the above-maned for the return of the property at one time held by him as a settler under The Soldier Settlement Act.

to the Minister of March 18, 1947, which outlined our position with respect to this veteran and also two others who were relieved of their properties at the time all members of the Japanese race were evacuated from the protected areas of British Columbia during World War II. As pointed out by Mr. Murchison, the properties of these veterans of World War I, together with the properties of the two veterans of World War II, are withheld from sale pending the clarification of the status of these individuals.

The case of Z. Incuye has been the subject of considerable correspondence from time to time and the substance of our reply has been an assurance to the veteran that no action would be taken to dispose of the property in which he is interested until his status has been clarified. In June, 1946, Mr. Incuye appealed to the Department of Labour, at which time the Deputy Minister stated the Department was prepared to consider the issuance of a license under the provisions of Order in Council P.G. 5973, dated September 14, 1945, to emble Mr. Incuye to become re-established on the property he acquired under The Soldier Settlement Act. However, the fermer Minister, Mr. Ian Mackensie, was opposed to the return to the Freser Valley of any members of the Japanese race.

It is evident from the file record that the present situation should not be allowed to drag on indefinitely end that a policy should be established with respect to the lands of Soldier Settlers taken over by the Custodian of Enemy Property and later acquired by the Director. The Veterans land act. Policy with respect to the lands of the two veterans who enlisted in World War II might also be decided at this time. A careful account has been kept of all revenue received in connection with

Soldier Settlement properties and provided it is decided to return their properties to them either for occupation or resale, no difficulty is anticipated in retracing the steps by which the lands were acquired by the Director, The Veterans' Land Act.

I have endeavoured to discuss this matter in general with officers of the Custodian of Rhemy Property familiar with the situation, namely, Measrs. G. W. McPhorson and K. W. Wright, neither of whom were available. It would seem, however, that there is sufficient authority under P.G. 5973 for the Minister of Labour to deal with the veterans, provided the proper recommendations are made in their behalf. I have been in touch by telephone with Mr. MacNamara and he has informed me that since consultation with Mr. Ian Mackenzie, the former Minister, no members of the Japanese race have been permitted to return to properties held by them in the restricted areas of British Columbia. Before proceeding further in the matter it might be desirable that Mr. Justice Bird discuss this metter with Mr. J. F. MacKinnon, Commissioner in Charge of Japanese Placements, Department of Labour, for the purpose of making a joint submission to the Minister of Veterans Affairs.

Attached is copy of P.C. 5973 referred to above, also letter from the Deputy Minister of Labour, dated June 14, 1946, and memorandum from the Office of the Minister of Veterans Affairs, dated June 25, 1946.

The correspondence forwarded with your memorandum of the 4th instant is returned herewith.

Encls.

Director



July 23 48 Copy IJ. Law Courts Vancouver Minister of Veteran's Affairs, Ottawa, Ont. Dear Mr. Gregg, Some claims have been presented to me as Commissioner investigating Japanese property claims of which I think you should be informed. Zenousuke Inouye, a Canadian Japanese Veteran of War I, was compulsorily evacuated from his Surrey farm along with all other persons of Japanese origin resident in B.C. Subsequently the farm was sold to the V.L.A administration and I was told is now held by the V.L.A. This land was taken up by Inouye, soon after War I, under the Soldier's Settlement Act. He had served from 1916 with the 52nd Bn. under Lt Col. (now Maj. Gen) W. W. Foster D.S.O. and was wounded with that unit in the Somme fighting in 1917. It occured to me that special consideration might be given to his case, and I have so reported to Colin Gibson, Secty Inouye expressed to me a preference to have his property restored to him - a solution which though possible, since V.L.A. have not resold it, may not be practicable in view of the fact that the property probably cannot be re-conveyed to him in the condition in which it was upon Col. Gibson suggested that I might write you in regard his evacuation. to this and other claims by veterans. The only other such claim of which I now have notice is that of Toshio Imada who served in this war with other Japanese Canadians who volunteered to serve in the South Pacific. He was sent to the Pacific with the Canadian Intelligence Corps, but I believe did not arrive in time to see active service. Imada, was one of two or three joint owners of 78.55 acres near Haney, B.C. being the S.D of S.W.Z of Sec. 26 Tp 12 x pt 1.446 ac. shown on Plan 8314. Will you kindly advise me whether there is any possibility that special consideration will be given to such claims of war veterans particularly of Inouye - and other veteran's of War I, of whom I'm told there are some, whose claims have not yet been heard. Yours very truly, Mr. Justice H.I.Bird (Sgd.) H. I. Bird Court House Vancouver, B.C. ver |

Z. Inouye Reg. No. 228458

BCMR-

Posted to PPCL.I. Sept. 21/16

S.O S. - To 52nd Bn. Oct 4 1916

CARRY AND THE RESERVE OF THE PARTY OF THE PA

September19, 1946.

MEMORANDUM:

MISS JOAN B. KENNEDY

Re: S. M. Omura.

Upon receipt of your memorandum of the 9th instant, regarding the allegation of the above noted Japanese, the District Superintendent at Vancouver, was communicated with and I am now in receipt of his reply in which he states that he has not spoken to any person of the Japanese race since theywere removed from the protected area of British Columbia. He further states that he has been unable to contact any one in the organization who has knowledge of the alleged interview.

The property to which you refer was withheld from sale last November as has the properties formerly occupied by three settlers established under the Soldier Settlement Act, 1919, final disposition not to be made until Omura's status as a member of the Japanese race had been clarified. Mr. Omura is one of a number of Japanese who enlisted in the Canadian Army during the last war and served with a unit known as the Security Intelligence Department. At the time of the Japanese evacuation from British Columbia he was a student at the Toronto University.

The Minister's views with respect to the possible return of these Japanese to their former properties in British Columbia, is contained in his personal and confidential memorandum of the 20th of May last, and Miss Dixon's subsequent memorandum of the 25th of June.

Director.

SHR/DH



## SOLDIER SETTLEMENT AND VETERANS' LAND ACT

YOUR FILE NO....

PLEASE QUOTE Gen.5

VANCOUVER - July 3, 1946.

G. Murchison, Esq.,
Director of Soldier Settlement and Veterans' Land Act
Ottawa.

Act of RECEIVED SETTING OTTAWA.

1 have for acknowledgment your letter of June 27th in which you advise that there is no change to date in the status of Japanese soldier settlers whose properties lie within the protected area on the Pacific Coast.

(1.T.Barnet)

District Superintendent.

ITB:B

EMENT AND VETERANS' LAND ACT

June 27, 1946

ixon

for information of the Minister.

G. MURCHISON
DIRECTOR

8-6 June 27, 1946 I.T. Barnet Esq., District Superintendent, VANCOUVER, B.C. Dear Mr. Barnet, An understanding has existed for some time that the properties formerly occupied by certain Japanese Soldier Settlers in the Fraser Valley would not be restored to them until their status as members of the Japanese race in Canada had been determined by the appropriate authorities. I am sending you this letter to advise that the situation has been under recent review and that, without specific instructions from Ottawa, there is no change in the situation which has existed for some time. Yours very truly, G. MURCHISON GM/E Director cc Mr. Mackenzie

BC 530P 8-6 July 30, 1946 A. MacHemara Esq., Deputy Minister, Department of Labour, OTTAWA, Canada Dear Mr. MacNamara: Re: Zennosuke Inouye Replying to your recent letters regarding the above named veteran of World War I, I am advised by my Minister that he is opposed to re-consideration of the reinstatement of Japanese Soldier Settlers in the Fraser Valley. Yours very truly, Original signed by G. MURCHISON Director GM/E

DEPARTMENT OF VETERANS AFFAIRS Memorandum: ≥June 25, 1946. Mr. Gordon W. Murchison, Director, Soldier Settlement and V.L.A. With reference to your memorandum of the 18th instant your file BC - 530P - 8-6, together with copies of correspondence from the Deputy Minister of Labour, relating to reinstatement of Japanese soldier settlers in the Fraser Valley, the Minister's comment is -"No. I.A.M."

Private Secretary.

dj

Original signed by G. MURCHISON

Director

GM/E

June 18, 1946 Dr. A. Mac Namara, Deputy Minister, Department of Labour, GTTAWA, Cenada Re: Files BC/530 - P, Dear Dr. MacHamara, 8 - 6 1 - 1006 I egree fully with the comments contained in your letter of the 14th but, as stated in my letter of the 6th, I am under instructions from my Minister to take no action on any application for re-instatement of Japanese in British Columbia under the Soldier Settlement Act without reference to him. Your letter of the 14th and copy of this reply is being passed on to the Minister for his consideration. Yours faithfully, G. MURCHISON GM/E Director

Deputy Minister

Ottawa, June 14, 1946.

Mr. G. Murchison, Director, Soldier Settlement and Veterans' Land Act, 71 Bank Street, 0 t t a w a

> Re: Files BC/530-P 8-6 1-1006

Dear Mr. Murchison:

I have your letter of June 6th in reference to the case of Zennosuke Inouye.

The regulations presently in effect require any person of the Japanese race to obtain a licence from the Minister of Labour as a condition precedent to the purchase or acquisition of any interest in real property. Our policy insofar as any Japanese who served in the Armed Forces of Canada is concerned is to issue a licence for this purpose upon the request of the veteran.

Settlement contract of any veteran of the last war of the Japanese race is a very strong one. The Department of Labour suggests that the matter is one upon which we would follow the advice of the Department of Veterans' Affairs. If Veterans' Affairs say this man should be re-established as a "Soldier Settler" the Department of Labour would issue the licence. If he is to be considered as a "Soldier Settlement" case, it would seem that the arrangements in regard to resettling him on his old farm could be worked out.

The first thing that seems to require to be established is whether or not the Department of Veterans' Affairs under the circumstances recognizes this man as having soldier's settlement privileges. It seems to me that he has a very strong case.

Yours very truly,

(Sed.) A. MacNamara

A. MacNamara



June 6, 1946.

A. MacNamara, Esq.,
Deputy Minister,
Department of Labour,
Ottawa, Canada.

Dear Mr. MacNamara:

- 1. I have your letter of June 3rd enclosing copy of one addressed to you May 25th by Zennosuke Inouye of Box 1636, Vernon, B.C. The following particulars have been extracted from our files for this man.
- Inouye is reported to have served in England and France in the First Great War with the 13th C.M.R., Regimental Number 228458. He was established in the Fall of 1919 under the provisions of the Soldier Settlement Act on an 80-acre parcel, the S.g of the N.W.4, Sec. 32, Twp. 2, N.W.D., purchased on his behalf at a cost of \$3,200.00. Additional amounts of \$1,000.00 for buildings and other improvements and \$700.00 for Stock and Equipment were also made available.
- 3. His debt to the Director of Soldier Settlement as at April 17th, 1944, was \$1708.32. Inouye's property was one of those taken over by the Custodian when the Japanese were evacuated from the Coast areas and in turn disposed of to The Director, The Veterans' Land Act, for use in the establishment of returned men of the war just concluded. The purchase price fixed for this particular property in the Mester Deed to The Director, The Veterans' Land Act, was \$3,908.00. This means that Inouye had an equity of approximately \$2,200.00 in the property.
- 4. As he states, he has written us on a number of occasions protesting the taking over of his property by the Custodian and the possibility of being permitted to resume occupation and active operation of the land. My replies

...... 2



#### SOLDIER SETTLEMENT AND VETERANS' LAND ACT

YOUR FILE NO. 8-6.

PLEASE QUOTE

#### CONFIDENTIAL

VANCOUVER - May 28, 1946.

Gordon Murchison, Esq.,
Director of Soldier Settlement and Veterans' Land Act,
Ottawa.

JUN 4 1940

Dear Sir:

l have for acknowledgment and thanks your letter of the 22nd instant in which you advise that the reinstatement of Japanese in British Columbia under the Soldier Settlement Act, or the establishment of any Japanese veteran under the Veterans' Land Act, must first receive the approval of our Minister.

If I may express a personal opinion I think this is a matter that can be well delayed until the whole problem of handling people of the Japanese race in this province has been finally considered by the Government.

Yours very truly,

(1.T.Barnet)

District Superintendent.

A.

ITB:B

V.L.A. 104

# Memorandum to the Minister

I refer to your confidential memorandum of the 20th, with particular reference to the re-instatement of three Japanese settlers who were established under the Soldier Settlement Act of 1919. You ask to be advised as to the discretion wested in me with respect to such applications and on what grounds I could refuse them.

Japanese race of capacity to hold land acquired or held by ; such person prior to February 24, 1942. This has particular significance in the case of the three Japanese Soldier Settlers referred to. The lands upon which they were established passed into the custody of the Official Custodian and thence to the Director the Veterans' Land Act. I have thus far declined to restore these lands to these Soldier Settlers until their status as members of the Japanese race is established. But since the date of P.C. 5973, namely, September 14, 1945, I cannot very well maintain this position if the settlers concerned invoke the rights which are theirs under the terms of this order, as it would seem to me that the terms of the order imply that the right of occupancy is recognized.

I have noted your request that no action be taken upon any application for re-instatement of Japanese in B.C. without reference to you.

USK.

G. MURCHIE ON

GM/E

Original signed by
G. MURCHISON

Director



October 7, 1944.

Z. Incuyo, Esq., Kaslo, B. C.

Dear Sire

## Re S. d of H.W. + Sec. 32 Two. 2. H. H. D.

I have your letter of September 29th protesting against the transfer of the above described land by the Custodian of Enemy Property to The Director, The Veterans' Land Act.

I wrote you on September 13th, 1943, advising it was expected that this property, which you had occupied under contract with the Director of Soldier Settlement, would be reneferred by the Custodian to The Director, The Veterans' Land Act, and that there was no intention of disposing of this land to any other party for the time being at least. Since then the anti-cipated transfer has been made and title now stands in The Director, The Veterans' Land Act.

The only reply I am propared to make to the protest you now file is that pending clarification of your position as a member of the Japanese race The Director, The Veterans' Land Act still proposes to retain title to this land.

Yours truly,

Director

1-990. OTTAWA, April 21st, 1944 Colonel W.K. Chandler, Legal Adviser, Soldier Settlement and Veterans' Land Act, VANCOUVER, B.C. Dear Colonel Chandler:-The Director has drawn to my attention the statementin your letter to him of April 18th that you were still awaiting reply from Head Office regarding the amount of the debt to Soldier Settlement in the cases of the three Japanese soldier settlers whose lands were taken over by the Custodian and sold to us. On the 11th instant you wrote asking for information respecting the outstanding debt in the cases of Seuchi Kinoshita - DL 1085 (BC/331P) and Zennosuke I ouye -DI 1006 (BC/530P). The required advice respecting the debt in these two cases was sent you on the 17th. The third case involved is that of George U. Shoji - DL 1990. No specific request for the debt in this case has been received, at least I can find no record of it here. Treasury inform me that this debt, as at April 20th, 1944, is \$1494.03, with interest accruing thereafter at the rate of twentytwo and one half cents per day. Yours very truly, Assistant Superintendent, Land and L'ans Branch. HRH/GJ.

8-6-2 1-1085 1-1006 1-1990 Ottawa, November 9th, 1943. "Air Ma.1" Colonel W. K. Chandler, K.C. Legal Adviser, Soldier Settlement of Canada, Vancouver, B.C. S. Kinoshita, Z. Inouye, G. Y. Shoji. I have your letter of the 3rd instant entitled as above in which you ask me to let you have a deed from the Director of Soldier Settlement to the Director of the Veterans' Land Act of the farms of the above named soldier settlers. Before getting very far in the preparation of this deed we were assailed by a number of doubts as to just how we should draft the deed and I am writing you with a view to having these doubts cleared up. In the first place would you prefer to have one deed covering the three farms or a separate deed for each property. Then again what consideration should be setout in the deed or deeds. In each instance

In naming the Director of the Veterans' Land Act as the grantee should we insert an address or should we otherwise describe the grantee? Should we describe the grantee as a corporation sole? Any information you care to give us along the foregoing lines will be much appreciated.

the settler agreed to pay a particular price for his farm but each of them still owes part of the purchase price and unless the Director of

the Veterans' Land Act intends to pay the outstanding balance in each

could acknowledge having received the full purchase price.

case to the Director of Soldier Settlement, it would not seem that we

Superintendent, Land and Loans Branch.

JFN:AB



### SOLDIER SETTLEMENT OF CANADA

YOUR FILE NUMBER.....

PLEASE QUOTE FILE.....

Vancouver, B.C. November 3rd, 1943.

## Attention - Mr. J.F. Nash

The Director of Soldier Settlement & Veterans' Land Act, Sovereign Building, Ottawa.

Re: S. Kinoshita, 1-1085; Z. Inouye, 1-1006; G.Y. Shoji, 1-1990.

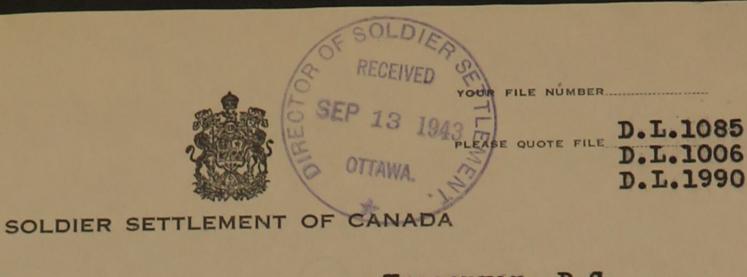
Will you kindly let me have a Deed from the Director of Soldier Settlement to the Director, The Veterans' Land Act, of the properties of the above named soldier settlers, together with duplicate certificates of title.

WKC/W

Legal Adviser.

Bd.File 8-6-2 File 1-1006 September 13,1943. Z. Inouye, Esq., Kaslo, Dear Sir: With regard to the property which you formerly occupied under contract with the Director of Soldier Settlement, I wish to advise you that title to this property will in due course pass to the Director, The Veterans' Land Act, with compensation payable to the Custodian, to whom you should address any further inquiries in the meantime. I may say in addition that the Director, The Veterans' Land Act, does not intend to dispose of this land to any other party, at least for the time being. Yours very truly, Director. GM/D

1-1006 September 13,1943. Col. W.K. Chandler, Legal Advisor, Soldier Settlement & Veterans' Land Act, Vancouver, B.C. S. Kinoshita Z. Inouye G.Y. Shoji Replying to your letter of the 11th, it will be in order for you to proceed in the regular way in acquiring titles in the name of the Director, The Veterans' Land Act, and that when this is done a suitable notation be made in the respective project accounts that these properties are not to be disposed of to anyone until the situation with regard to the three Japanese concerned is fully clarified and without the approval of the Director. I attach hereto a copy of a letter which I have today sent to Inouye in response to an inquiry received from him. Director.



Via Air Mail

Vancouver, B.C. September 11th, 1943.

G. Murchison, Esq., Director of Soldier Settlement & Veterans'Land Act, OTTAWA, Ontario

Dear Sir:

Re: S. Kinoshita Z. Inouye G.Y. Shoji

I have your letter of September 4th and agree with you that there is no difficulty about transferring the lands back to the Director of Soldier Settlement if the Japanese or the Custodian refund the money paid to them. This, however, depends on what the Custodian does with the monies paid to him as purchase price. I anticipate that he will probably send the money to the Japanese, but in any event the matter is then beyond our control. However as long as the land is not sold by the Director, The Veterans' Land Act, you could reinstate under the Soldier Settlement Act upon repayment of the purchase price, though I think as a matter of law the Japanese is foreclosed as soon as the land is sold by the Director of Soldier Settlement.

However the point may never arise and if the lands are not settled in the meantime there is always a bridge by which to retreat if circumstances should alter.

Yours truly, Ca audles

Legal Adviser.

WKC/W

Colonel W.K. Chandler, C/o District Superintendent, Vancouver, B.C.

Dear Colonel Chandler,-

S. Kinoshita, 1-1085; Z. Inouye, 1-1006; G.Y. Shoji, 1-1990.

Replying to your air mail letter of the 1st instant, I may say that if the representatives of the Custodian are prepared to assign the leases and future administration of these properties to the Director of Soldier Settlement the situation will be satisfactory.

What we must avoid is any possibility of the Custodian negotiating a sale of these properties to any party other than the Director of the Veterans' Land Act. I have in mind a report from Mr. Barnet that a number of the properties which were included in our general offer have already been sold to other parties.

Notwithstanding Section 23 of the Veterans' Land Act, I do not foresee any insurmountable difficulty if these lands are acquired now by the Director of the Veterans' Land Act, and withheld from sale to any other person until the status of the three Japanese concerned is clarified. Later on it may be decided to transfer the lands back to the Director of Soldier Settlement upon receipt from the Director of Soldier Settlement and the Japanese or the Custodian of the amount disbursed by the Director of the Veterans' Land Act. I believe this could quite well be done with the approval of the Minister under Section 20, or if not, by an appropriate Order in Council.

Will you please let me have your comments on the foregoing?

Yours very truly,

Director.



D.L.1085 D.L.1006 D.L.1990

#### SOLDIER SETTLEMENT OF CANADA

Via Air Mail

Vancouver, B.C. September 1st, 1943.

G. Murchison, Esq.,
Director of Soldier Settlement & Veterans' Land Act,
OTTAWA, Ontario

Dear Sir:

Re: S. Kinoshita. Z. Inouye. G.Y. Shoji.



The District Superintendent has shown me your letter to him of August 24th dealing with the properties of the above Japanese soldier settlers. I am not quite clear from your letter as to the procedure which you wish adopted.

The sale by the Custodian of the interest of the Japanese in these properties to the Director, The Veterans Land Act, will in rough figures result as follows:

D.L. 1085 - Kinoshita, S. - A credit of \$200.00.

D.L. 1006 - Inouye, Z. - A credit of \$2300.00.

D.L. 1990 - Shoji, G.Y. - A debit of \$200.00.

The title to each of these properties is in the Director of Soldier Settlement and a conveyance from him to the Director, The Veterans Land Act, is necessary to complete the purchase for land. The Custodian has no legal estate whatsoever in the lands. He has merely the temporary ownership of the tenancy at will (which is not a legal estate) held by the Japanese under Section 31 of the Soldier Settlement Act. The Custodian, however, has the right to receive for the Japanese soldier settlers the excess of the purchase price over and above the amount necessary to pay off his debt to the Director of Soldier Settlement.

From a legal point of view, and not considering any practical difficulties, there is no difference between these Japanese soldier settlers and any other settler who for some reason beyond his control has to leave his Soldier Settlement farm. The Director simply terminates the settler's tenancy at will if he wishes to take possession of the land and administer it.

If the lands are passed to the Director, The Veterans' Land Act, by a conveyance from the Director of Soldier Settlement the situation is quite simple for the Director, The Veterans' Land Act, who then holds the land for the purposes and under the trusts placed upon him under the

G. Murchison, Esq. - Cont'd. Veterans' Land Act. In view of the express provision in that Act that land acquired by the Director may not be disposed of to soldier settlers, the question of the rights of the Japanese soldier settler to any interest in the land in question is finally settled. He has no chance of obtaining the land or any part thereof from the Director, The Veterans' Land Act. These are the simple facts in the case and you see the difficulties that arise therefrom. If the sale to the Director, The Veterans' Land Act is put through along with others, I am not clear from your letter whether the monies in excess of the amount required to clean up the debt to Soldier Settlement is to be retained by the Director of Soldier Settlement or is to be paid to the Custodian. Like yourself, in these three cases I am acting in a dual capacity and I do not want the Director of Soldier Settlement to be involved in any difficulty because of this sale. Mr. Shears will probably feel that the surplus purchase money must be paid to him; in that case these Japanese soldier settlers are definitely foreclosed of their interest in the land. I had in mind to treat these three cases differently from the rest on the ground that the Custodian cannot make title to the Director, The Veterans' Land Act. The Order-in-Council does not take the land away from Soldier Settlement. I proposed, therefore, to leave these three cases undisturbed for the present. Mr. Crux and I have decided and roughly settled on the form of a general conveyance to be executed by the Secretary of State to the Director, The Veterans' Land Act, of the properties covered by the list contained in the offer and acceptance. This conveyance will have a schedule attached setting out a short land description of each parcel, the name of the Japanese, the appraised value and the purchase price for each individual parcel. The consideration of the whole will be \$850,000. This will show the fact that the Custodian agreed to sell these three properties, along with the others, at a set purchase price. In fact the Custodian will not be able to make title until such time as the Director of Soldier Settlement agrees to convey the property. The completion of the sale could then be left until such time as you had decided whether as Director of The Veterans' Land Act, you proposed to take these properties over for the purposes of that Act, or whether you preferred to deal with them under the Soldier Settlement Act. The question of taxes, insurance, and leasing can, in the meantime, all be handled under the latter Act. In any event, there is no hurry because I propose to leave these three properties until the very last and there will be plenty of time to decide what you wish to do. Mr. Crux and I hope to get the general conveyance down to the Justice Department by the end of this week. Yours truly, Ce and les WKC/W Legal Adviser.

Mr. I.T. Barnet,
District Superint

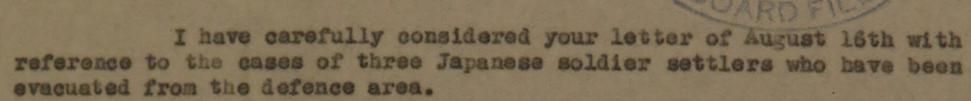
SOLDIER SETTLEMENT AND VETERANS' LAND ACT

1-1006 1-1990 PLEASE QUOTE 1-1085

August 24, 1943.

Mr. I.T. Barnet, District Superintendent of Soldier Settlement, Vancouver, B.C.

Dear Mr. Barnet,-



There will be a probelm of administration here if we do not acquire these properties under the Veterans' Land Act, as otherwise the administration will be left in the hands of the Custodian, and under his authority there will be nothing to prevent the farms from being sold to any party he decides upon. It is believed advisable, therefore, that you should follow routine procedure in these cases. The titles, while being vested in the Custodian, are encumbered in favour of the Director of Soldier Settlement, to whom the appropriate cheques should be made payable, thus closing out Soldier Settlement accounts and administering these lands under project accounts set up under the Veterans' Land Act.

Careful note should be made on these project accounts that the lands concerned were formerly held by Japanese soldier settlers and that no action is to be taken to dispose of them to any person until future Government policy with respect to people of the Japanese race is clearly defined.

I am asking Mr. Rathwell to attach statements to this letter showing the standing of the claims of the Director at the present time and the daily mate of interest which will accrue.

I think, in fairness, these three Japanese soldier settlers are entitled to be notified that while their properties are being dealt with in the routine way under the agreement with the Custodian and under the authority of the Dominion Government, no action will be taken by the Director of the Veterans' Land Act at the present time to dispose of their farms, and that reasonable attention will be paid to their administration in the meantime.

Yours very truly,

VLA105

Director.