

A statement recently issued by the executive secretary of the JCCA regarding the invitation from the Toronto Claims Committee to debate the actions of the National Executive Committee on evacuation losses contains more than the usual quota of false statements. Although ~~inaccurate statements~~ in previous statements have been ~~characterized~~ tolerated as characteristic of that individual, when the liberal quota has been exceeded and the false statements are not only repeated but exaggerated a reply is called for primarily for that persons own good, and secondly, in order ^{to show that the JCCA} ~~not is that implicated~~, the ~~Organization of JCCA which otherwise would~~ ~~have~~ ^{and no} unfavorable reflection ^{should be} cast upon it as a result of these statements.

^{and serious}
It is a very sad state of affairs, indeed ^{in that persons mental health} when a ~~person~~ is incapable of recognizing and accepting a plain and obvious fact regarding the bona fides of the Toronto Claims Committee. It is known to all persons

who have ~~been~~ taken an interest in claims matters that the
Committee was elected as a result of a ballot distributed to
all claimants in the Toronto area, and that this method
was agreed to as the most appropriate method of
selecting claimants representatives at a meeting called
by the JCCA.

All persons elected to the Committee were claimants
and almost without exception were persons who have
been prominent in ~~business~~ ^{industry and commerce,} ~~the~~ ^{business,} ~~and~~ ^{agriculture and}
~~the~~ ^{generally} ~~community life~~ ^{of} Japanese Canadian Society
for the past 20 and 30 years. The Committee is composed
of the following persons:

~~not by self appointment as is the case with other committees but~~
These persons hold office only by virtue of the election, and
they have on every occasion referred matters ^{by claimants} back to general meetings
of claimants ^{called on paper notice, instruction, modification.} for ^{purpose} sanction and endorsement. The committee itself has
at all times functioned along thoroughly democratic lines and
has welcomed persons who were known to advocate views
which varied with those of the committee to address general
meetings of claimants — and ^{it should be stated that} on every occasion after full
discussion the position of the Committee has been upheld.

The invitation to debate the actions of the Executive Committee of the JCCA was in line with previous practice of having a full and fair disclosure of all the relevant facts pertaining to evacuation losses, and this could ~~best~~ be most satisfactorily accomplished by speakers from the ~~the~~ JCCA Executive Committee itself - rather than any ~~other~~ second hand statement from another party, and then have ~~the~~ Toronto claimants and the Japanese Canadian public decide for themselves.

It is ^{significant} ~~of interest~~ to note that on previous occasions when the ~~issues~~ of the Executive Committee ~~disagreed from~~ claimants at general meetings ~~of~~ were presented with claimants Committee and the Executive Committee disagreed on policy, ^{and previous} claimants, ^{at general meetings} after full discussion of all relevant facts, agreed with the ~~the~~ ~~to~~ their committee. ~~At~~ Circumstances

~~The present time when~~ ~~Despite the expressed desires~~ of claimants the National Executive Committee has not ~~modified the~~ ~~actions~~

It is likely that claimants would have again endorsed the position taken by their committee and would have put the lie to the ^{claim of} ~~action~~ JCCA Executive Committee ~~represent~~ claimants - and to avoid the embarrassment ~~which~~ ^{was} ~~now~~ ^{now} ~~regarded~~ by claimants.

And knowing that their ^{illegal} stand ~~was not~~ which is ~~contrary~~
contrary to the policy of their ^{JCA} National Conference and
their ^{publicly} expressed intentions was unjustifiable - They
chose not to appear. Instead, they ~~have chosen~~ to
~~behave~~ they chose to hide behind a smoke screen and
prate in self righteous and pompous tones prate
about "unethical action" and ^{violation of} "simple rules of courtesy".
There is an English saying that patriotism is the
last refuge of the scoundrel - we believe that
a parallel exists here where ~~the~~ "courtesy" is substituted
for "patriotism" -

Toronto CCD Survey started Nov. 1946 -

Sent out 650 forms - covered 1,800 people -
Out of 200 returns -

estimated value -	\$ 1,400,000
sold for -	<u>351,000</u>
Loss	\$ 1,031,000

National Loss Survey -
1,376 forms returned

of 549 claims -

Losses were -

74.3%	sold by Custodian
18.4	owner's sale
7.3	special committee

Page 13 of Conference Report - always been the contention of Japanese Canadians that economic losses were a direct result of the evacuation orders and not through any lack of care by the Custodian in the sale of the properties

Review at meeting with Ministers in Aug. 1947 -

Page 14 - all losses from evacuation

Page 22 - material from Commission can be used for further representations

①
② 1,434 persons filed claims for 2,420 sales, loss ^{in excess of} \$7,000,000 ^{alleged.}
Amendments reduced this total

③ 7,086 parcels of real & personal property were sold by Cust. for \$2,591,456

④ 102 claims withdrawn by claimant or rejected by Commissioner

⑤ Rentals of \$600,000 were collected and credited to accounts of owners

⑥ Greater Vancouver real property sales

471 parcels of real property - offered for sale - July 19 - Oct 4, 1943

all sold after 5 years

1943 sold -	173 parcels	-	36.7%
1944	210 "	-	44.6%
1945	52		
1946	34		
1947	2		

⑦ Paid 5% Commission + expense of \$12.50

⑧ Recommended payment of aggregate deductions.

① 378 rural properties offered May - June, 1944

1944 -	237 parcels sold	-	61.4%
1945 -	92 "	-	24.3
1946 -	52 "	-	13.8
1947 -	2 "		

- ② Director paid 5% Commission on $\frac{1}{2}$ of properties + ^{\$1} 12.50 expense
- ③ Greater expense on 23 parcels for re-values + re-advertising.
- ④ Appraisers with outstanding qualifications as Vancouver not available, nor with same intimate knowledge of property.
- ⑤ Rural Committee, largely from Fraser Valley, could not exercise own judgment
- ⑥ " " Adopted appraisers price.
- ⑦ " Here Government Council proposes an over-all award of 15 per cent. of the sale price, whereas Council for the claimants would accept 20 per cent. ~~It is~~ - - -
 " Taking into account the factors set out above, it is my conclusion that justice will be done to the owners of properties in this group by a recommendation of 10 per cent of the selling price... + " plus Commission.

③ Fraser Valley VCA Lands

③ 507 claims for total of \$1,838,162.

② from 572 parcels of real property, — claims on 89.51%
in Fraser Valley

① VLA Transaction involved 741 parcels of farm + residential land
concluded during May June 1943

④ VCA offers in negotiations were founded on valuations of SSB valuers
during the 6 months following May 1st, 1942.

⑤ "These appraisers were men of long experience in the service of the SSB,
each of whom had special qualifications for such work."

⑥ "None of the appraisal reports prepared by these valuers were made available
to the Advisory Committee until the closing stage of the negotiations with
the Advisory Committee, when the D.V.L.A. produced S.S.B. Reports
on 17 parcels for comparison with valuations recently made of the
same parcels by three members of the Advisory Committee

Committee aggregate valuation exceeded SSB by 53 per cent.

Committee = \$43,100

SSB \$28,232.

VLA initial offer was \$750,000.

⑦ — Committee therefore rejected VLA current offer of \$825,000 for 769 parcels

⑧ — VLA director wrote to Custodian on May 29, 1943 stating \$850,000
as final offer — otherwise not interested. Rural Advisory
Committee then recommended acceptance on June 14, 1943.

(4) (9) Parcels reduced to 74 for \$ 792,265.22.

Admiral Advisory Committee letter to Custodian, recommending acceptance:-

(10) "a" That while the appraisals of 17 farms made by this Committee were in excess of the appraisals of the Soldier Settlement Board of Canada, it was realized that present valuations are enhanced due to war conditions and do not represent ordinary land values as in normal times!

"(1) That the present offer is for cash and can therefore be reasonably expected to be less than the appraised value, in view of the interest which may accrue by investment of the purchase funds."

(11) (a) advanced the effective date of sale from June 14, 1943 to Jan 1, 1944

(b) Credited VCA with 2% of agreed price as consideration for each settlement - Together cost owners \$41,000.

(12) Re - SSB appraisals

- valuations are most conservative - each appraiser was engaged by the SSB prior to ~~and~~ through the depression period, and was ~~thereby~~ therefore influenced by that experience.
- Valuations reflect agricultural value only - no consideration appears to have been given to alternate uses
- Consideration was seldom given to prevailing market prices of comparable lands in the immediate vicinity.
- No allowance was made for fruit trees, berry plants, etc. or other growing crops.
- value of dwellings and other farm buildings situated on the land was discounted to a level which the appraiser considered that the veteran operator could afford to lease or maintain from income derived from the farm.

(13) During period of 6-12 months between SSB appraisal

of VLA transaction - market value increased 10%
appraised by SSB, withdrawn

(14) Of 43 parcels of land sold by the Custodian ^{because of} difficulties of title, two

sold in 1942 & 1943 at 60 & 33% respectively, in excess of VLA price.

15 parcels sold in 1944 at 101.5 percent above VLA price.

From June, 1943, to 1944 Farm Valley prices rose 12 to 20 percent - reasonable to assume maximum increase

of 20% - and on this basis Custodian's selling price of 15 parcels in 1944 will show approximately 80 percent in excess of SSB appraisals.

(15) Remaining 26 parcels sold in 1945 and 1946 at higher prices, substantially in excess of SSB valuations. "But in my judgment are significant only in that the prices realized show that a market was available in these years for such lands at very substantially higher prices than Soldier Settlement Board valuations, notwithstanding that the properties' tenants had been vacant & in the occupation of tenants."

(16) 11 parcels of land sold by owners in May, June, July, 1942 - aggregate of \$17,250 - VLA final offer was \$10,846 or approximately 60% less

(6) Dean Fred Clement ^{in 1948} made survey of 351 parcels of land
(17) in all municipalities on 47% of 741 parcels included in
VLA transaction

- (A) Based valuation on physical examination of lands in 1948
- (B) production figures for substantial number of same parcels from Co-operatives
- (C) economic study of Dept of Agric. Ec. UBC.

Clement Report -

(Based on production) agricultural value of these properties at the time of appraisal by
SSB lies between 182 - 184% of value placed thereon.

(Direct appraisals, no production figures) agricultural value of these parcels exceeds
the SSB valuation by 79.6% (within 3.5%
of other valuation)

Market value exceeded agricultural value.

(18) Studies based on sales recorded at Land Registry Offices

Maple Ridge - June, 1943

167 parcels to VLA at 36.39% below assessed value
82 comparable parcels, March 1 - Sept 30, 1943, at aggregate
price of 49.2% above assessed value -
(135% above custodian's selling price).

Surrey

68 parcels VLA at 28.2% below assessed value
276 private sales (March - Sept. 1943) - 41.7% above assessed
(100 percent above Custodian's selling price)

⑦ Mission Village

15 parcels in a near village - off-farm employment available to occupants giving residential as well as agricultural value.

15 VLA sales - 51.46% below assessed value
 40 private sales - 54.97% above assessed value -
 (219% above Custodian's selling price).

	Increase of VLA price
Maple Ridge -	136.01%
Delta -	116.96 "
Richmond -	73.43 "
Surrey -	113.37 "
Mission -	86.37 "
Mission Village -	212. "

①⑨ \$52,115 - \$41,000 through change of date and
 \$41,115 (\$15 per parcel) for conveyancing - payable.

②⑩ - recommended 80% -

⑧ Fishing Vessels & Gear

- ① Custodian sold 201 vessels.
- ② 109 ^{vessel} Owners claimed \$1,60,432 for ~~vessels~~
- ③ 75 vessels sold by Custodian for sum of \$38,504.15 - claim for \$85,572
27 sold by J. F. V. D. C.
7 vessels + crews not in possession of Custodian or sold by him

181 vessels and 20 discovered later vested in Custodian (201 vessels)

only some evidence page 41.

Evidence of Japanese claimants relative to the vessels sold by the Custodian shows that more than 80% of the hulls were over 10 years old, of which 45% per cent were 15 years or older, and 30 per cent were over 20 years old. 60 p.c. of the engines were 10 years old, and 26 per cent of the engines over 20 years old. Philippines (expert witness called by Govt) evidence is to the effect that fishing vessels of the class under consideration have little value after 15 years!

- ④ Rejected Claims -
27 J. F. V. D. C. vessels, ^{claims} rejected
7 declared but did not come into Custodian's possession - rejected
- ⑤ Expenses - watchmen's services, wharfage, appraisers' fees + insurance - calculated to 13.5 p.c. of aggregate price which Custodian charged to owners and deducted from sale price -

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⑥ Nelson Bros. transaction

(a) Nelson Bros. had possession ^{+ option on} of 57 vessels, later vested in the Custodian - exercised option on 25 vessels, title was made by the Custodian. 13.5% deducted + credited to owner's account.

(b) Custodian subsequently agreed to sell 26 remaining vessels to Nelson Bros. at 10% below appraisal and deduction of 13.5% applied

⑦ Damage Compensation

Purchasers got \$1,080.62 damage compensation from owners through Custodian's error.

⑧ Recommendations - for depreciation

10% on Nelson Bros. sales plus 13.5% deduction and additional 10% on 26 vessels of 2nd lot.

15% for 24 vessels sold to individual purchasers + 13.5% deduction

(70) Nets and Fishing Gear

① 173 claimants losses - $\$148,958.91$

② In May 7 1942, $\$48,000$ in nets were sold by tender, many with consent of owners.

③ Between May - Oct. 1942 - nets appraised and inventory was made of 3700 nets

④ Recommend.

25% of selling price.

⑤ Property classified:

1. Property sold by claimant
2. Property left by claimant with an agent appointed by him.
3. Property shipped to owner.
4. Property abandoned as valueless.
5. Property of which the Custodian had no record at any time until the claim was filed.
6. Property recorded by the Custodian but now missing.
7. Property declared but not found by the Custodian.

1-5 rejected - 6 & 7 included.

⑥ missing property - probable selling price have same ratio to claimant's goods sold - add 25 percent.
(in each case -)

(11)

(7) "I am not prepared to accept the claimant's value of such missing goods, since it appears that his claim for goods actually sold, in my opinion, was excessive to the extent of approximately 25 per cent. . . ."

If all goods were missing, applied over-all rates for like property, add 25 per cent.

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Motor Vehicles

- ① 428 vehicles trucks & motor cars seized
- ② 352 vehicles sold in 1942
60 in 1943
balance prior to 1947
- ③ Claims for 154 vehicles (36 p.c.) for sum of \$109,660.62.
- ④ Models - 1926 - 42 - of which 25 p.c. were less than 5 yrs.
- ⑤ 71 better vehicles were sold to various Dominion & Provincial Government Departments
- ⑥ All earlier sales were made at appraisal or greater price.
- ⑦ Cars unsold at appraisal price were sold at 15 to 20 p.c. less, or at auction.
- ⑧ Lenders realized 54.45% of aggregate claim
auction 62.77% "
- ⑨ Comparison of dealer and Red Book prices of 60 cars, of the types, years and models sold by the Custodian, discloses that the very great majority of Custodian sales were made at prices less than dealer and Red Book prices. On only 7 of the 60 sales was the price greater. On 53 sales

(13) The Custodian price falls from 5 to 75 percent below dealer and Red Book prices. On average 30-35% lower.

(10) "Upon consideration of all the evidence, and taking into account the fact that vehicles sold by the Custodian were sold 'as is', I have reached the conclusion - not without some misgiving - that the fair market value in 1942 exceeded the prices realized by the Custodian by 25 percent thereof."

(11) Recommend 25%

(14) Personal Property Exchange of Vehicles, Fishing Boats + other Vessels, Nets + Gear.

(1) Claims total - \$975,501.87 - personal property
other claims - \$521,162.02
Claims for property sold by Custodian - \$1,454,339.85

(3) Articles selected for sale by tender were first appraised by qualified persons and subsequently advertised for sale.

(4) Goods also sold to tenants of goods on premises held under lease.

(5) 260 auction sales held at 20 different centres over 3 years.

(6) more than \$90,000 by auction, \$94,000 by tender

(7) Expenses of goods sold by auction 23.2% deducted from sale price

(8) Expenses of 12% deducted from tender sale price.

(9) Fair market price on sales to tenants, & by tender but 6.8% to auction.

(10) (a) Total on sales by auction = 23.2 + 6.8 = 30%
(a) Sale by tender add 12% deduction

(15) \$454,339.85 in claims for personal property, not

(11) sold - Classed as follows:

- (1) Chattel property declared, but not found.
- (2) " " needed and now missing.
- (3) " " included in real property sales.
- (4) " " abandoned by Custodian.
- (5) " " of which the Custodian had no record at any time.
- (6) " " sold by a claimant.
- (7) " " left with claimant's agent.
- (8) " " shipped to claimant.
- (9) " " now in storage.
- (10) Good-will
- (11) Business
- (12) Insurance premiums
- (13) Accounts receivable
- (14) Buildings located on lands of another.

(12) claims on 4 - 8 rejected outright

(13) classes 1 + 2 - Custodian's sales of personal property averaged somewhat less than 40% of claimant's valuations

(14) On missing goods - ^{apply} ratio of Custodian's selling price to sum claimed by claimant, ~~applied~~ add 6.8%.

- (16) Group 3 - sold as pictures but not included in appraisal. apply ratio, add 6.8%
- (15) ~~Group 4 = 8 = rejected,~~
Group 4 claims for goods abandoned by Custodian - no award.
- (17) Claims for goods not declared by claimant rejected
group 5 aggregate exceeds \$70,000.
- (18) group 6+7 - Claims for goods left with owner's agent rejected
- (19) group 8 - goods shipped ^{to claimant} by Custodian & received rejected
- (20) group 9 - goods in storage - rejected.
- (21) group 10+11 - Goodwill + going concern value for goodwill \$31,816,
13 claims aggregate \$31,816,
10 claims for \$118,235 sale of business operations.
- rejected - except where sold as going concern.
- (22) group 12 - Insurance - rejected
- (23) group 13 - accounts receivable rejected.
- (24) group 14 - buildings on property not owned by claimant - rejected.