

1,434 persons filed claims of various types of real and personal property, such as: -

real property used for residential, farm or business purposes

household effects;

agricultural tools and equipment;

stocks in trade and trade fixtures;

fishing vessels, gear and nets;

motor cars and trucks

Tabulation of all sales made by the Custodian, and of all claims filed for hearing before the Commission, discloses that 7,086 parcels of real and personal property were sold by the Custodian for the aggregate sum of \$2,591,456.

Claims were filed ^{by 1,434 persons} for hearing at the depository in relation to 2420 such sales, wherein aggregate losses in excess of \$7,000,000 are alleged to have been sustained. Amendments to the claims forms filed subsequently, made at the request of various claimants, resulted in a substantial reduction of the total sum claimed.

102 claims were subsequently withdrawn by the claimant or his representative, or were rejected by order of the Commission, as not authorized under the terms of reference.

The claims may conveniently be dealt with in this report under the following categories: -

1. Real property situate in the Greater Vancouver Area.
2. Real property situate in urban and rural areas of British Columbia, other than those included in classifications numbered 1 and 3.
3. Farm and other properties sold to the Director, Veterans Land Act.
4. Motor cars and trucks.
5. Fishing nets and fishing gear.
6. Fishing vessels and boat gear.
7. Miscellaneous personal property other than that included in categories numbered 4, 5 and 6.

Various questions were raised by Council during the early sessions of the Commission, relative to interpretation of the terms of reference. After hearing argument from all Council concerned, I made the following rulings:

1. The fair market value of personal property is to be determined as at the time of the sale, loss, destruction or theft thereof.
2. The fair market value of real property is to be determined as at the date of consummation of the sale thereof.
3. Claims in respect of personal property, arising from loss, destruction or theft occurring at any time subsequent to the vesting of such property in the Custodian are held to fall within the terms of reference, notwithstanding that physical possession of such property had not been taken by the Custodian prior to the loss, destruction or theft thereof.
4. That any diminution in market value caused by deterioration in property occurring between the date of vesting thereof in the Custodian and the date of sale or loss, destruction or theft, shall not be taken into account, but the fair market value of such property as at the date of sale, or loss, destruction or theft shall govern.

- 5. Claims relating to losses in respect of the sale of fishing vessels sold or disposed of by authority of the Japanese Fishing Vessels Disposal Committee prior to the month of August 1942 do not fall within the terms of reference, since such sales were not made by or under the authority of the Custodian.
- 6. Claims arising from loss alleged to have been sustained through failure of the Custodian to collect accounts receivable payable to a claimant do not fall within the terms of reference.
- 7. No claim shall be entertained in respect of the alleged value of good-will of a business or business premises, unless it be established that the Custodian sold the business or business premises as a going concern.
- 8. That the term "fair market value" found in the terms of reference is thus used in the sense that the same term has been interpreted in authoritative decisions of the Courts in Canada and England in expropriation cases; that for present purposes the same meaning will be assigned to the term; and the tests applied in such cases for determination of "fair market value" will be applied to property, the subject of claims now under consideration.

On March 10th 1942, the Custodian enlisted the assistance of a group of Authorized Trustees in Bankruptcy and of licensed Real Estate Agents, to administer evacuee property, comprising virtually all such trustees and agents carrying on business in the protected areas of British Columbia.

Investigations were immediately undertaken by the Custodian with the assistance of the persons so appointed and reports subsequently were made by these persons to the office of the Director. Hereafter, real property holdings were severally allocated to a specific agent for administration, businesses were wound up by the various trustees, and stocks of goods and merchandise were disposed of by them or on their advice, but considered to be safely stored in the former home of

The process, was removed to sundry warehouses for protection.

Rentals of \$6,000,000 were collected and credited to accounts of evacuee owners and ultimately distributed to them.

Page 14

I am satisfied on the evidence adduced before me that the very onerous task imposed upon the Director of the Custodian's Office at Vancouver, under the guidance and with the assistance of the Advisory Committee, was competently performed, with due regard to the interest of the owners of such property, notwithstanding that the task had to be performed in an atmosphere of public hysteria induced by war. The fact that I have found that certain aspects of fair market value was not realized on sales made by the Custodian in no sense reflects upon the work of the Custodian's organization. On the contrary, the evidence brought out in this enquiry strongly supports the conclusion that this organization, in spite of the magnitude of the responsibilities imposed on it, has substantially succeeded in administering and subsequently selling property of evacuated persons with due regard to the owners' interest.

Page 15 - Content enquiry -

Page 18 - Liquidation of Real Property -