

222,829

to Japs

Fair Value Not Given For Assets

By WARREN BALDWIN

Ottawa, June 13 (Staff).—A sum of \$1,222,829 in conscience money will be paid out by the government to Japanese who were forcibly evacuated from the coast section of British Columbia during the war.

The Japanese concerned are those Mr. Justice Bird, royal commissioner, said received less than fair value for real estate and other assets disposed of by the custodian of enemy property in their absence. The money is to be voted in supplementary estimates this session.

It represents about half the total sum paid to Japanese owners by the custodian for land and personal property.

In the report of the Royal commission tabled in the Commons today, Commissioner Bird finds there were 7,086 of these sales for an aggregate sum of \$2,591,456. The commission examined 2,420 claims resulting from these sales. Later, 102 claims were either rejected or withdrawn.

Chief beneficiary of the undervaluation of real estate was the Veterans Land Act administration of the Department of Veterans Affairs.

In an interdepartmental deal, land in the Fraser Valley belonging to Japanese evacuees was turned over by the custodian to the VLA for a sum substantially less than even the assessed value. Total net sum was \$751,000.

On the recommendation of Commissioner Bird, the government will now pay out an additional \$615,000 in order to give the Japanese the fair market value for their land.

No tenders had been called preceding the interdepartmental deal and the commissioner found that the advisory committee which recommended the sale to the custodian had been under no misapprehension that they were giving a fair market price to the owners. The land was sold to Canadian veterans by the department.

The case was explored by the public accounts committee of the Commons which recommended the Royal commission investigation.

They had heard the evidence of the then chairman of the Veterans' Land Act, Gordon Murchison, admitting that his own soldier settlement board had made the appraisal of the land on which the

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VLA offer was made. Actually, the amount paid was even less than this appraisal. Mr. Murchison later left the department.

In addition to Fraser Valley rural lands, 15 properties in Mission Village were handed over to VLA. Commissioner Bird said prevailing prices for other property in the municipality were 212 per cent higher than that paid. A special payment of \$16,000 is being made to compensate the Japanese for this deal.

For chattels which were lost, stolen or sold after they became the responsibility of the custodian of enemy property, the government will pay out \$201,000 in compensation to the original owners.

This does not include payments to be made on fishing boats, for which \$19,000 compensation is being paid, nets and gear for which \$52,000 additional will be paid and motor vehicles, \$18,000.

In the sale of rural real estate other than the Fraser Valley lands the commissioner finds that to meet the ends of justice the government should now pay an additional 10 per cent of the prices at which the land was sold by the custodian plus commissions charged on the sales by the custodian. On the basis of this recommendation the government is paying \$234,000.

The investigation of the Bird Commission occupied a period from Dec. 3, 1947, to March 3, 1950. Altogether there were 25,046 pages of evidence and 8,966 exhibits filed. In most hearings interpreters had to be used.

The appendices to the report setting out the recommendations for payment of claims in detail are so bulky that they were not tabled by the government.

In a special tribute to the commissioner the minister declared that only his "unlimited patience and clear thought" had made the report possible.

In addition to payment of claims which the commissioner recommended as coming within the terms of reference, he also submitted for consideration special claims amounting to \$150,000. These, Mr. Garson announced today, were being considered by treasury board.

The commissioner, in spite of the findings of undervaluation on property, says the custodian of enemy property and his advisory committees acted in sincerity and good faith.

Properties sold in Greater Vancouver itself were all advertised and there was evidence that the custodian had made every effort to get the best price in spite of the fact that there was little public interest in purchasing.

In Vancouver, there is no suggestion that fair market value was not obtained and \$60,000 to be paid covers only expenses which the commissioner feels should not have been charged against the Japanese owners, but paid by the custodian.

The advisory committee on urban property was made up of competent real estate men, whereas those acting on the rural committee, the commissioner found, almost invariably took the value set by an appraisal board.

On these rural properties, the government counsel himself proposed an overall award to the owners of 15 per cent of the sale price, whereas the counsel for the claimants was asking 20 per cent. This, however, did not apply to the special cases where the buyer had been the government itself and where the valuation was much lower.