

NAME

J. P. V. L. O. - MINUTES

No.

1942

C O P Y

When Replying
Refer to File 1.18-16F-55(F3)

DEPARTMENT OF MUNITIONS AND SUPPLY

OTTAWA, CANADA

August 24, 1942.

Mr. A. E. McMaster,
Japanese Fishing Vessels
Disposal Committee,
1528 Marine Building,
Vancouver, B.C.

RE: R.C.A.F.

Dear Sir:-

Replying to your letter of August 20th. We are pleased to learn that negotiations on the six vessels concerned are active, and that you have agreement of the owners to execute bills of sale for the M.V. Puffin and the M.V. Snipe. You will, no doubt, send us the necessary documents, covering these shortly.

In regard to the M.V. Plover. We trust the owner of this boat, shall not prove unreasonable and you will be able to conclude this negotiation shortly.

We regret very much we transposed Snipe and Plover in our telegram of August 12th.

We appreciate very much indeed, your earnest co-operation in this matter and shall await with interest, further word from you.

Yours very truly,

(Sgd.) M.S. Kilby

M.S. Kilby,
Negotiations Division,
for Director General, Shipbuilding Branch.

Aug. 3, 1942.

Commodore W.J.R. Beech, R.C.N.,
Commanding Officer, Pacific Coast,
H.M.C.S. "Dockyard"
ESQUIMALT, B.C.

Dear Sir:

Please note attached copy of letter to the Department of Fisheries of Aug. the 1st, in respect to the claims made by Japanese for the cost of bringing their vessels into a central point of impoundment, such as the Fraser River, on instruction from the Naval Service, and their expenses in returning to their homes.

I believe they have in mind the charge of \$3.00 only for each person on the south bound trip to the Fraser, a very moderate expense while awaiting steamer to the north, and the fare back to Prince Rupert; i.e. insofar as the Skeena River vessels are concerned. The total, therefore, on each of these would be about \$50.00.

Can you confirm my recital of the circumstances in accordance with the attached letter, and would you recommend the payment of moderate claims in respect thereto?

Yours very truly,

A. E. McMaster,
Executive Assistant.

AEM/PH.
Encl.

Aug. 1, 1942.

Mr. A. J. Whitmore,
Department of Fisheries,
OTTAWA.

Dear Sir:

I must again revert to the matter of claims of a special nature.

At the time the Japanese vessels were impounded, Naval officers at various points along the Coast, in many instances, instructed the Japanese owners or operators to take their vessels to some specific central point, principally to Prince Rupert for the northern ports and Fraser River for the southern ports.

On arriving at these destinations the owners or operators turned the vessels over to Naval custody. At the time evacuation orders were not effective; consequently these men returned to their homes, and the Committee submits that they are entitled to reimbursement for the expenses involved in carrying out Naval instructions.

Under the terms of reference in Order in Council, P.C. 228, of Jan. the 13th, clause (4) reads:

"To report on claims which may be made on the Government for the returning of the detained vessels from their present storage place to places where they were picked up."

This clause does not entirely meet the circumstances as related above, but possibly the same principle was in mind when this clause was prepared.

We are taking this matter up with the C.O.P.C. to get a written confirmation of the circumstances, and will submit this to you as soon as it is received.

We desire that you should be advised of the nature of these pending claims so that they may be included in the general authority for broadening claims principles, now before the Department.

Yours very truly,

AEM/TH.

A. E. McMaster, Executive Asst.

DEPARTMENT OF FISHERIES

OTTAWA

792-17-1

August 3rd, 1942.

C O P Y

Dear Sirs:

I wish to refer to your letters of the 14th ultimo and previous correspondence regarding issue of Bills of Sale in instances where the former owners have declined to complete such documents.

The circumstances were placed in detail before the Department of Justice for advice as to the course that might be followed in dealing with the transfers of titles in these cases, and I quote hereunder from the reply received:

"I do not think that this Committee has any authority to sell these vessels and give title thereto without the consent of the owners. Order in Council P.C. 288 of January 13th, 1942, constituting this Committee, provides that the duties of the Committee shall be to make such arrangements as will make it possible for the present owners of detained vessels to freely negotiate for sales of such vessels. It seems to me that these duties do not embrace a power to sell in the absence of consent by the owner.

The suggestion has previously been made that the vessels remaining on hand by July 31st be turned over to the Custodian of enemy property and I think that this is the only thing that can be done in the present case. If the necessary arrangements are made at the time of such handing over, the Custodian could undertake to sell the vessels and give title in cases where the present owners refuse to sell."

It would seem that the terms of Order in Council P.C. 6427 of July 20th, 1942, are sufficient to permit of the procedure suggested by the Department of Justice if the arrangement is regarded as feasible by your Committee and the Custodian. It is accordingly asked that the matter be taken up with Mr. McPherson, following which the Department would appreciate receiving your report. In any such arrangement it would appear desirable that the former owners in each case be notified of the intention and that a due date be fixed prior to the end of August by which they would have opportunity of taking advantage of the Committee's disposal negotiations; the alternative being that such negotiations would be turned over after such date to the Custodian for completion in accord with the usual procedure and practice of the Custodian.

Yours truly,

A.J. Whitmore, Department of Fisheries

JapanoverfishEng.vessles Disposal Committee,

DEPARTMENT OF FISHERIES

OTTAWA, August 7th, 1942.

Air Mail

Dear Sir:

This will acknowledge receipt of your letter of the 1st instant regarding claims receiving consideration for reimbursing owners or operators of vessels impounded by the Naval authorities in December last, for travelling expenses incurred in returning to their home ports after delivering the boats to designated points.

While the Department will await the report of the Commanding Officer of the Pacific Coast on these claims, which report is presently being secured, before passing any final opinion as to whether or not they should be dealt with along with other claims involving Japanese owned vessels while under detention, it would appear at first thought that such expenses would properly be regarded as being incidental to the impounding operations generally, rather than to the disposal phase, and accordingly would be for attention by the Naval authorities. Should this view be the proper one, the Naval authorities will be advised of such recommendation as the Committee may make in regard to settlement of the claims.

Yours truly,

A.J. WHITMORE,

For Deputy Minister.

A.E. McMaster, Esq.,
Executive Assistant,
Japanese Fishing Vessels Disposal Committee,
1528 Marine Bldg.,
Vancouver, B.C.

(10 X F)

August 10, 1942.

Col. G. H. Hill,
The Officer Commanding,
Royal Canadian Mounted Police,
VANCOUVER, B.C.

Dear Col. Hill:

Will you kindly refer to the attached copies of exchanged correspondence with the Department of Fisheries and C.O.P.C. in relation to the expenses of Japanese fishermen who brought their boats to Fraser River and other points at the time of Naval impoundment on the instruction from Naval authorities, more particularly Commodore Beech's comments as to this probably being an R.C.M.P. commitment.

Will you kindly advise if we may present these claims to your Department, and if so, what verification you require and on what form.

Yours very truly,

A. E. McMaster,
Executive Assistant.

AEM/PH.
Encl.

In reply please quote
No. P.C. 010-5-2Vol 1
P.C. 010-5-2Vol 11

DEPARTMENT OF NATIONAL DEFENCE
NAVAL SERVICE

8th August 1942.

Dear Sir:

With reference to your letter dated 3rd August 1942, and enclosure attached thereto, the remarks regarding Order in Council P.C. 288 appear reasonable and are concurred in.

Since arrangements for evacuating the Japanese Boat owners from the Coastal area were not completed at the time the Japanese Boats were impounded, the Japanese of Canadian Nationality were returned to their homes. Under these circumstances it is considered their claims which are moderate should be met.

In the above connection it is considered that in view of Commanding Officer Pacific Coast's signal timed 0701Z/10/12/41 to Naval Service Headquarters (copy attached), that expenses incurred should be an R.C.M.P. commitment.

Yours truly,

J.R. BEECH

COMMODORE, R.C.N.,
Commanding Officer
Pacific Coast.

:cb

A.E. McMaster, Esq.,
Executive Assistant,
Japanese Fishing Vessels Disposal Committee,
Marine Building,
VANCOUVER, B.C.

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NAVAL MESSAGE

TO: NSHQ 466 (R) G.O.C. in C. Pacific Command,
A.O.C. W.A.C. Officer Commanding E Division
R.C.M.P. Vancouver.

FROM:
C O P C

Your 00382/10 re protective custody of Japanese Fish Boats.

- (1) The following action is proposed:

When it is considered all boats have assembled at Assembly Points navigating parties to be placed in larger boats capable of towing five to 10 smaller boats, depending on size, tows proceeding to Steveston under escort of P/R vessels, engines of boats in tow having been immobilized.

- (2) Entire Japanese crews to be disembarked at Steveston and billeted on Japanese community. Additional huts to be erected if necessary. This area is already under protection of military detachment nearby. All boats would be moored in suitable shallow flats about 10 miles further up the River and placed under guard to be furnished by Discovery.

- (3) Up to 20 repetition 20 of most suitable boats to be requisitioned at current charter rates which would eventually be paid to Japanese owners if Canadian citizens.

This number considered sufficient to augment present patrols.

- (4) Boats belonging to Japanese Nationals, if any, to be seized in prize.

- (5) Naval responsibility for Japanese crews would cease after landing at Steveston where it is considered arrangements should be under control of R.C.M.P.
Boats crews would not be landed until police were ready for them.

C
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DEPARTMENT OF MUNITIONS AND SUPPLY

OTTAWA, CANADA.

When Replying
Refer to File 30-5-47 (P3)

C O P Y

August 13, 1942.

Japanese Fishing Vessels Disposal Committee,
1528 Marine Building,
Vancouver, B.C.

Att: Mr. A. E. McMaster

Re Naval Service

Gentlemen:-

Thank you for yours of the 10th
reporting progress on Japanese vessels requisitioned for
naval service.

We confirm our telegram asking you
to conclude purchase of the Blue Nose, H.C.57, and H.C.126
as these vessels are offered at Lloyd's appraised prices.
You will please forward us six copies of invoice, bill of
sale, and if the vessel is registered, ship's papers.

In regard to M.V. Spray, formerly
Hatta VII. We note that Lloyd's survey price is \$10,250.00
whereas the owner is asking for \$12,500.00. All we can
say is that it is rather unfortunate from the owner's stand-
point that he did not accept the offer of \$12,500.00 when
it was made. As you are aware, we have no authority to
exceed the appraised value, as reported by a competent
authority such as Lloyd's. This case also calls for a firm
stand, the vessel has been requisitioned for His Majesty
and we hope it will be possible for you to conclude the
negotiations and secure this vessel at appraised figure.

It is impossible for us to compromise
and we trust this negotiation will not result in a dead-
lock.

We will be glad to hear further in
regard to this particular vessel.

We note active inquiries are under
way and would appreciate your continued efforts to bring
about conclusion of negotiations.

Our remarks in a separate letter
in regard to R.C.A.F. will apply of course, to vessels
requisitioned by the Navy.

Yours very truly,

(Sgd.) M. S. Kilby,
Negotiations Division,
for Director General, Shipbuilding Branch

DEPARTMENT OF MUNITIONS AND SUPPLY
OTTAWA, CANADA

August 13, 1942.

Japanese Fishing Vessels Disposal Committee,
1528 Marine Building,
Vancouver, B.C.

Attention: Mr. A. E. McMaster

Re: R.C.A.F.

Gentlemen:-

Thank you for your letter of the 10th. We confirm our telegram of date, asking that you conclude purchase of the M.V. Puffin and M.V. Plover as price in both instances is satisfactory.

In regard to the M.V. Snipe, while the difference is very small, we are not authorized to pay any more than Lloyd's appraisal value. As this boat has been requisitioned, we suggest you inform the owner that purchase must be concluded at once.

We believe that if you take a firm stand, this negotiation can be terminated, as the difference of \$200.00 is rather small.

We would appreciate it if you would continue these negotiations to a conclusion, you are on the spot, have a full understanding of the situation, and are very much better equipped to deal with the owners that we are. Therefore, we would appreciate your continued co-operation.

When you conclude negotiations for any vessel, please forward us six copies of invoice, bill of sale, and ship's papers, should the vessel be registered.

Yours truly,

(Sgd.) M.S. Kilby,

Negotiations Division,
for Director General, Shipbuilding Branch.

Analysis of Telegram from Ottawa Aug 12/42

To A.E. McMaster
1528 Marine Building,
Vancouver, B.C.

Conclude purchase	(Lloyds)
Blue Nose	(\$3650.)
H.C. 57	(1500.)
H.C. 126	(1750.)
Plover	(3500.) (Asked - \$3700.)
Snipe	(3750.)

Forward Ships Papers and Bill of Sale to this office.

Cannot authorize purchase at price higher than Lloyd appraisal.

Endeavor conclude Snipe at \$3500 (obviously means Plover)

Writing.

M.S. Kilby

Should have been "Plover"

Mr. Kimura

August 17, 1942.

Dr. D. B. Finn,
Deputy Minister of Fisheries,
c/o Mr. J. A. Motherwell,
Dept. of Fisheries,
Winch Building,
VANCOUVER, B.C.

Closing Phases of the Work of the
Japanese Fishing Vessels Disposal Committee

Dear Dr. Finn:

Confirming our recent conversation in Mr. Motherwell's office:

It is fully understood that, having accomplished the principal purpose of the establishing of the Committee, it is desirable that the organization be discontinued as soon as possible.

In the Minister's letter of July 24th and yours of the same date, the factor of expense involved was advanced as the principal reason for accelerating the final closing of our office. Actually the most economic procedure would be for the Committee to carry on with a reduced staff until most of the outstanding matters, which we shall explain hereinafter, are brought nearer to completion than is possible within the current month, for these reasons:

1. The Custodian advises that his present staff is fully occupied with present duties and, therefore, he would have to add to his staff, at least in proportion to the staff released by the Committee.
2. The Custodian is not permitted to collect a commission from the vendor, on the sale of Japanese vessels, whereas under Order in Council, P.C. 987, the Committee may do so. The negotiations now commenced by this office for the purchase of Royal Canadian Service vessels, if fully carried through by the Committee, will result in a revenue of over \$3000. which would be lost to Government agencies, if this work be not completed by us.

Original records available to the Committee were very incomplete and identification of vessels has been most difficult. Much of the work pertaining to permanent records had to be deferred until the principal objective of the Committee was accomplished, that is the transfer of the greater part of the Japanese Fleet to the Fishing Industry. Since this work was completed,

Dr. D. B. Finn.

every effort has been directed to assembling each vessel record in permanent form, and in perfecting other records of value.

The attached memorandum will reflect the approximate position of the unfinished work of the Committee at this time.

It is now obviously impossible to conclude this work to a degree satisfactory to the Committee, by the end of August; therefore, it is recommended that the Committee continue under a gradually reducing staff, until a transfer of function can be effectively made to the Custodian.

Due to the absence of the Chairman, the Honourable Mr. Justice Sidney Smith, I have not been able to discuss this matter with him again since my recent meeting with you; but at the last Meeting of the Committee, the principle involved in the above recommendation, was concurred in by all members. We shall discuss this matter fully with Mr. Justice Smith on his return to Vancouver, at which time it is probable that he will write to the Minister.

Yours very truly,



A. E. McMaster,
Executive Assistant.

AEM/FH.
Encl.

MEMORANDUM OF THE APPROXIMATE POSITION OF THE PRINCIPAL CLOS-
ING WORK OF THE J.V.V.D.C. AT AUGUST 17TH, 1942

VESSEL HISTORY FILES:

Assembly and Verification.

Number - 1270/1300.

Status at Aug.17: Assembled - 900 - 71%

Verified - 140 - 11%

NAVAL CLAIMS:

Estimated number based on Number
of Surveys Made - 700

Received, Assembled & Registered 360 - 37%

In Process of Assembly - 76 - 11%

Completed and Vouchered - 164 - 23%

Cheques in Settlement Rec'd. - 135 - 19%

Settlement Completed &
Releases Mailed - 94 - 13%

FORCED SALES:

Number - 147

Converted by Execution of
Bills of Sale by Owners - 38 - 26%

B.A.T.M. VESSELS:

Number - 20

Bills of Sale Complete &
Accounts Rendered C.O.P.C. - 14

Payments Received - 6

Under Negotiation with Owners- 6

R.C.N.S. & R.C.A.F. VESSELS:

Number Involved - 33

Under Active Negotiation - 20

Prices Agreed & Documents
in Preparation - 5

When replying
Refer to File L.30-5-47 (F3)

C O P Y

DEPARTMENT OF MUNITIONS AND SUPPLY

OTTAWA, CANADA

August 24, 1942.

Mr. A.E. McMaster,
% Japanese Fishing Vessels Disposal Committee,
1528 Marine Building,
Vancouver, B.C.

RE: Naval Services

Dear Sir:

We acknowledge receipt of your
of August 20th, regarding Japanese vessels requisitioned
for above.

We note you are satisfied that
Lloyd's survey price for these vessels, is fair and just.
This confirms our experience with various other vessels
requisitioned for the Services, and surveyed by Lloyd's
representative. We consider Lloyd's a very competent
authority, and it is only natural for the owner to make
every endeavour to secure a higher price. In this
instance, the surveyor was fortunate in having the co-
operation of your Committee, who are familiar with the
value of the Japanese fishing vessels and we are satis-
fied that these people have been dealt with fairly.

In regard to the M.V. Kuroshio,
M.V. Smith Sound and M.V. Arashio. We note the owners
of these three vessels are willing to accept the
appraised price, but conditionally on being paid the
pro rata charter price, up to the time of sale. The
owners' contention cannot be given any consideration,
it is Department policy to pay only the appraised value.
If a precedent of this nature was established, you will
appreciate what complications would develop. On some
vessels requisitioned by the Services, the negotiations
are prolonged for months, and if a charter price was
taken into account, during this period, the price
eventually paid for the vessel, would be out of all
reason.

* We suggest that you give the owners to understand, if they do not care to accept the appraised value, they have the alternative of appearing to the Exchequer Court. In the meantime, of course, no money will be paid them. You can casually mention that litigation before the Exchequer Court would be of indefinite duration.

We feel that the Japanese are being very fairly treated, and are satisfied that you will bring all possible pressure to bear, to bring negotiations to a speedy conclusion.

We hope you will not consider our stand arbitrary, but the Department has had a great deal of negotiating experience under similar circumstances, and the suggestion put forth by the three owners in question, is simply another method of secure more than the appraised price for their vessel.

We note the seven vessels enumerated in your letter, and shall be glad indeed to receive invoices, six copies for each vessel, bills of sale, and ship's papers, at the earliest possible date.

We enclose confirmation of our telegram of date, in regard to pro rating charter price, discussed above.

Yours every truly,

(Sgd. (M.S. Kilby

M.S. Kilby,
Negotiations Division,
for Director General, Shipbuilding Branch.

encl.

MEMORANDUM OF THE AMERICAN COMMISSION OF THE
PRINCIPAL WORK OF CLOSING J.F.V.D.C. OFFICES

		<u>Aug. 25</u>	<u>%</u>
<u>Vessel History Files - Assembly and Verification</u>			
Total Number Involved	-	1270	100
Assembled	-	985	77
Verified	-	250	20
<u>Naval Claims</u>			
Total No. Involved - estimated from Surveys -	700		100
Assembled and Registered	-	360	51
Completed and Vouchered	-	164	23
Cheques in Settlement Received	-	135	19
Disbursement Complete. Releases mailed-	94		13
<u>Forced Sales</u>			
Total No. Involved	-	147	100
Regularized by Execution of Bills of Sale		68	46
<u>B.A.T.M. Vessels</u>			
Total No. Involved	-	20	100
Accounts rendered	-	17	85
Payments Received	-	12	60
Under Negotiation with Owners		3	15
<u>R.C. Service Vessels</u>			
Total No. Involved - R.C.N. R.C.A.F.		33	100
Bills of Sale Completed	11	8	
Negotiations Satisfactorily Concluded			
Bills of Sale forwarded for Execution		7	
Negotiations Progressing Satisfactorily		12	
Negotiations progressing, but Difficult		6	