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506 Royal Bank Building.

STANDING COMMITTEE

ON

PUBLIC ACCOUNTS

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

TUESDAY, MAY 27, 1947

WITNESSES:

Mrs. Hugh MacMillan, Secretary, and Mr. F. Andrew Brewin, Counsel,
The Co-operative Committee on Japanese Canadians;

Mr. George Tanaka, Chairman, Japanese Canadian Committee for
Democracy;

Dr. E. H. Coleman, C.M.G., K.C., Deputy Custodian of Enemy Property,
and Mr. K. W. Wright, Counsel.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
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1947

MINUTES OF PROCEEDINGS

TUESDAY, May 27, 1947.

The Standing Committee on Public Accounts met at 11.30 o'clock a.m., the Vice-Chairman, Mr. Gordon B. Isnor in the chair.

Members present: Messrs. Boucher, Burton, Denis, Fleming, Gladstone, Golding, Green, Homuth, Isnor, Jaenicke, Johnston, Marshall, Pinard, Probe, Smith (*Calgary West*), Thatcher, Warren.

In attendance: Dr. E. H. Coleman, C.M.G., Deputy Custodian of Enemy Property, and Mr. K. W. Wright, Counsel; Mrs. Hugh MacMillan, Secretary, and Mr. F. Andrew Brewin, Counsel, The Co-operative Committee on Japanese Canadians; Mr. George Tanaka, Chairman, Japanese Canadian Committee for Democracy.

Mr. Fleming moved,—

That an article published in *The Globe and Mail* of Wednesday, May 21, 1947, written by Mr. Warren Baldwin and entitled *Evidence B.C. Japs' Lands Resold at 816 P.C. of Purchase Prices* be printed as an appendix to this day's minutes of proceedings and evidence.

After discussion, and the question having been put on the said motion, it was resolved in the negative.

Mr. Fleming filed a copy of *The Globe and Mail* of May 21, 1947.

Mr. Brewin was called, heard and questioned.

Mrs. MacMillan and Mr. Tanaka were called and questioned.

Mr. Tanaka filed a copy of a questionnaire sent to Japanese evacuees, which is printed as *Appendix "A"* to this day's minutes of proceedings and evidence.

Mr. Tanaka produced eight files of completed questionnaires which were placed in the custody of the clerk of the Committee for examination by any member.

The witness retired.

At 1.20 o'clock p.m. the Committee adjourned to the call of the chair.

A. L. BURGESS,

Clerk of the Committee.

MINUTES OF EVIDENCE

HOUSE OF COMMONS,

May 27, 1947.

The Standing Committee on Public Accounts met this day at 11.30 a.m. The Vice-Chairman, Mr. Gordon B. Isnor, presided.

The VICE-CHAIRMAN: Gentlemen, we have a quorum and we will now proceed to call the meeting to order.

Mr. FLEMING: Mr. Chairman, may I raise this matter. At our last meeting Mr. Murchison appeared and read a statement in which he complained in quite strong terms about an article which appeared in the *Globe and Mail* of Wednesday, May 21, reporting on the proceedings of this committee of the previous day. I do not know how many members of the committee had read that report before Mr. Murchison made his statement on it. For my part I had not read it. I am sorry I had not read it because while I think the committee wants to be abundantly fair to all witnesses and any witness who feels that he has not been fairly treated I am sure will receive a fair hearing by the members of this committee. I have, however, read the article over now and I do not find the ground for complaint to which Mr. Murchison has referred. Mr. Murchison's statement has been included in the record and I am suggesting to the committee that the entire statement that he complained of should be a matter of record. That is to say that I think the article itself should be printed in our proceedings. Now it is an article written by a senior member of the press gallery, a very experienced member, who I am sure enjoys the respect of the members of the House and of this committee. I am sure if more members had read the article before Mr. Murchison made his statement there would have been more comment on the tone and the nature of Mr. Murchison's statement. That is past now, but I do move, Mr. Chairman, that the article in question should be printed in the record of this committee.

Mr. WARREN: Mr. Chairman, may I ask what paper that is taken from?

Mr. FLEMING: It is the article that Mr. Murchison complained of.

Mr. WARREN: Yes, but I was not here and I do not know anything about it.

Mr. FLEMING: It is an article that appeared in the *Globe and Mail* on Wednesday May 21, and it is on page 8. Mr. Murchison made quite a lengthy statement about it and complained about it. For my part I do not know how many members had read that but I had not. I do say this; having read the article since Mr. Murchison made his statement, I cannot find in it the ground or the unfairness that he claimed to find in it. I think that while his statement is on the record the article of which he complains also should be on the record.

The VICE-CHAIRMAN: Are there any other comments?

Mr. HOMUTH: I second the motion.

The VICE-CHAIRMAN: You have heard the motion that the article appearing in the *Globe and Mail* of Wednesday, May 21, 1947, written by Mr. Warren Baldwin entitled "Evidence B.C. lands resold at 815 per cent of purchase price" be printed in the minutes of the proceedings of our committee.

Mr. JAENICKE: Mr. Chairman, I do not see why we should bring all these newspaper articles into our proceedings. Surely they have nothing to do with the matter we are investigating.

Mr. PINARD: I would like to know if the article refers directly to what happened in this committee?

Mr. FLEMING: It does.

The VICE-CHAIRMAN: May I make this observation, gentlemen. I was one of those who had not read this article, prior to Mr. Murchison's laying the newspaper on the table, I glanced at it quickly and suggested to him that I did not see that any good purpose could be served by making an extended statement. More than that, if you will recall, I stood in my place as chairman and referred to the fact that he was making a statement, hoping that one of the members of the committee might object to the statement. There was no objection taken so he made the statement.

Mr. SMITH: I remember that very distinctly.

The VICE-CHAIRMAN: If you had objected I would have given a ruling against a continued lengthy statement being made. I think Mr. Fleming in his statement has brought forth a thought which is in the minds of the majority of the members. Statements written by well-known writers in the press gallery, while perhaps giving information to the public, contain nothing from our standpoint and I should say there is no good purpose served by printing them in our proceedings.

Mr. FLEMING: May I just say a word about Mr. Jaenicke's point. If this matter were being reached now *de nova*, I do not think that anyone would think of bringing into the records a newspaper article. After all what guides this committee is what is brought in evidence before us. However, in view of the fact that Mr. Murchison was allowed to make a very lengthy and a very strong statement with respect to this article my point is that it would not be fair to leave this situation without putting the article on the record. I think anyone who has read the article since will find Mr. Murchison's statement lacking in justification. If it was a case of this statement being submitted over again I think there is much to be said for Mr. Jaenicke's point. If we were back to last Thursday and Mr. Murchison were undertaking to make his statement it would be different. However, Mr. Murchison has made a statement to the committee which does not do justice to the article so I suggest therefore, in fairness that this article ought to go on the record. I do not think the committee wants to take time at every meeting to receive complaints from witnesses about newspaper articles for we would then have to catch up with the newspaper articles ourselves and try to correct any unfair statement made by the witnesses.

Mr. SMITH: May I put it into much broader terms. It seems to me that in this form, in this committee, it is utterly improper for anyone to comment on any printed matter unless we have before us the printed matter on which he is commenting. I think as a lawyer Mr. Jaenicke will agree with that. Frankly I want to see an end of it and I think we might have done very well had we accepted the hint that the chairman handed to us at the last meeting. We did not do that because I for one did not want to do it. I thought that someone would say "Here is that fellow plugging the *Globe and Mail* again". Now, as the comment has been made on something that is not before us, it seems to me that we are in a very foolish position unless we have the article plus the comment.

Mr. JAENICKE: I do not know how the printing of this article will influence us in any manner, one way or another. The way I understand it is Mr. Murchison arose on a question of privilege the same way we rise in the House of Commons. He explained that he had been misinterpreted in this article. Now I know what Mr. Murchison said the day before or at the meeting before,

and I do not see yet anything in the argument made by Mr. Fleming and Mr. Smith that we should clutter up our proceedings with this article. I cannot see it.

The VICE-CHAIRMAN: It was just on a question of privilege with respect to Mr. Murchison, but what is your pleasure now?

Mr. HOMUTH: This public accounts committee has developed into a different sort of committee from anything I know as a public accounts committee. We have witnesses come here to be examined on certain matters of government policy and government administration. Before he is ever examined, an employee of the government is allowed to stand up in this room and give a long dissertation on his administration and naturally he does everything he possibly can to whitewash the government. Mr. Murchison's whole statement the other day was a direct whitewashing of everything with regard to the Japanese part of their policy. He did that, and it gets in the press and into this record and then we have to cross-examine him and the others on it. I think the time has come when witnesses should be brought here and interrogated by the committee on different matters but they should not be allowed to stand up and make statements such as Mr. Murchison made; and, furthermore, this is no place for Mr. Murchison, or any other employee of the government, or anyone else connected with this inquiry, to be allowed to come and rise on questions of privilege and take time trying to befog the committee in regard to articles which appear in the press.

Mr. GLADSTONE: Are you saying that he set out to be untruthful?

Mr. HOMUTH: I say that he set out to whitewash the government.

Mr. WARREN: I do not think that should go on the record.

The VICE-CHAIRMAN: I think I should reply as chairman, Mr. Homuth. Any witness is privileged, I believe, if I read the rules correctly, to make a statement in reference to a matter of privilege. If I had to rule on that and that alone I would have to say to the witness "Yes, you are entitled to make a brief statement", and then I would use my own judgment.

Mr. HOMUTH: Then he would be questioned on the statement?

The VICE-CHAIRMAN: Yes. Now, gentlemen, you have heard the motion, are you ready for the question? You have heard the motion put forward by Mr. Fleming, seconded by Mr. Homuth.

(A standing vote resulted in a tie.)

I am obliged to vote as I expressed myself a few minutes ago that I thought it was unnecessary to print such articles and I therefore declare the motion lost.

Mr. FLEMING: Mr. Chairman, and gentlemen, if you are not going to print it in the proceedings may I ask that it be tabled by us so that it may appear among our records?

The VICE-CHAIRMAN: That is quite all right.

I think that you have made a good statement Mr. Fleming and I think it covers the situation.

At the request of Mr. Fleming and Mr. Burton the matter of representation on behalf of the Japanese-Canadians was placed before us and it was decided to extend an invitation to their committee and I received—

Mr. FLEMING: If you will excuse me that is not quite right; it was not an invitation, that is what we decided.

The VICE-CHAIRMAN: Will you allow me to complete what I was saying?

Mr. FLEMING: I am sorry.

The VICE-CHAIRMAN: As a result of a request contained in a letter from Mrs. Hugh MacMillan signed as secretary of the co-operative committee on

Japanese-Canadians, after consultation with the steering committee I issued instructions that we invite one of them to represent the views of this committee. We have with us to-day three representatives including Mrs. Hugh MacMillan, the secretary, Mr. F. Andrew Brewin, counsel for the committee, and Mr. George Tanaka, chairman of the Japanese-Canadian Committee for Democracy. Who is to be your spokesman?

Mrs. MACMILLAN: Mr. Brewin.

The VICE-CHAIRMAN: Thank you, then I would like to call on Mr. Brewin.

F. Andrew Brewin, counsel for the Co-operative Committee on Japanese-Canadians, called:

By the Vice-Chairman:

Q. Mr. Brewin, no doubt you know that we have already held nine meetings of this committee since April 28, 1947, and we have had before the committee such witnesses as the Honourable Mr. Gibson, Doctor Coleman, Mr. H. W. Wright, Mr. D. H. W. Henry, Mr. Shears, and Mr. Gordon Murchison. You have read their evidence.

Now, gentlemen, is it your pleasure to hear Mr. Brewin.

Agreed.

The VICE-CHAIRMAN: Mr. Brewin, will you give us your name in full and the name of those for whom you are acting?

The WITNESS: My name in full is F. Andrew Brewin and I am acting as counsel for the co-operative committee on Japanese-Canadians. I think I should open by telling you what that committee is.

Mr. GLADSTONE: Where do you live?

The WITNESS: In Toronto.

The co-operative committee on Japanese-Canadians is a committee that was originally purely a voluntary committee. It was originally formed mostly of church groups, Y.M.C.A.'s and Y.W.C.A.'s., who were looking after the needs of the Japanese-Canadians who re-settled in eastern Canada and other parts of Canada. Then, when the proposal for deportation came up the co-operative committee on Japanese-Canadians received support and help from about 70 per cent of the groups across Canada. A great many of the groups contributed money to fight the battle of the Japanese-Canadian in regard to deportation. I will not attempt to give you all the organizations which have lent their support to the co-operative committee but a partial list includes:—

- The Church of England in Canada
- The Catholic Archdiocese of Toronto
- The Baptist Federation of Canada
- The United Church of Canada
- The Church of Christ (Disciples)
- The Presbyterian Church of Canada
- The Evangelical Lutheran Church
- The Salvation Army
- The Student Christian Movement
- The Intervarsity Christian Fellowship
- The Canadian Council of Churches
- The Society of Friends
- The Young Men's Christian Association
- The Young Women's Christian Association
- The United Nations Organization

- The Canadian Welfare Council
- The Canadian Association of Social Workers
- The Canadian Association of Scientific Workers
- The Canadian Jewish Congress
- The National Council of Women
- The Fellowship of Reconciliation
- The Women's International League for Peace and Freedom
- The Civil Liberties Associations of Vancouver, Winnipeg, Toronto, Ottawa, Montreal
- Canadian Congress of Labour, Trades and Labour Congress
- Canadian Institute of International Affairs
- Workers' Educational Association
- Canadian Association for Adult Education
- United Farmers Co-operative
- Ukrainian Association of Canada
- Canadian Business and Professional Women
- National Citizens Forum
- Religion and Labour Foundation
- Ontario Older Boys' Parliament
- Unitarian Fellowship for Social Justice
- Holy Blossom Temple, Toronto
- United Steel Workers of America
- Canadian Seamen's Union
- United Packing Houses of America
- Canadian Legion
- Leading newspapers in Montreal, Toronto, Winnipeg, London, Ottawa, Vancouver, etc.
- Prominent individuals from all sections of society.

I mention these names merely to show that this committee, the co-operative committee on Japanese-Canadians, is broadly representative of those who have taken an interest in it. The problem of the Japanese-Canadians, from the point of view of the Japanese-Canadians, has been widely discussed and we have contacted a great many people. One of these committees, the Japanese-Canadian Committee for Democracy, in anticipation of a commission, has conducted what it calls an economic loss survey. It sent out forms some of which I have here.

Mr. BOUCHER: When you mentioned those names do you mean you speak for the head bodies of those organizations with respect to the churches and so on, or are they individual units?

The WITNESS: The national bodies sent support and contributed to the committee. People like Canon Judd of the Anglican Church, and Dr. Mutchmore of the United Church and there were a great many more of the local groups. As the committee knows there was very wide interest in this matter when the problem of deportation was before the people of Canada.

Mr. BOUCHER: You are, in effect, saying that you are representing at least the head bodies or the representatives of the churches and institutions you have named. You are not just representing members of those organizations?

The WITNESS: Oh, yes. I say they have taken part in and supported the work of this committee. I cannot say that everything we did has been taken up with them but they have given official support and sent their contributions to the committee. We have no formal membership but those various churches and national groups did take part in that way.

Mrs. MACMILLAN: Yes, and our committee is representative of the larger denominations of the churches "Y's" and labour unions.

The WITNESS: Yes, in other words, gentlemen, I think I can say we do represent pretty fully those who have taken an interest right across Canada.

By the Vice-Chairman:

Q. Mr. Brewin, I do not want to interrupt you, and I would favour you completing your statement and then we can clear up the points raised. There is, however, a name on your list, the Baptist Federation of Canada. Do you know the Baptist Federation of Canada?—A. No, I do not, myself.

Q. They do not represent the Baptists of Canada.—A. Mrs. MacMillan could tell me the extent to which they do.

Mr. BURTON: Previous witnesses have appeared before the committee and they were allowed to make their presentation and then the members of the committee were able to ask questions. I think it would be better, much better, to follow that procedure.

The WITNESS: We will be glad to try to clear that up.

Mr. JAENICKE: If this lady has better information as to the constitution, perhaps Mr. Brewin could stand aside.

The VICE-CHAIRMAN: Perhaps Mr. Brewin should make his statement.

The WITNESS: I do say we represent them in the sense that they have supported this organization. The Japanese Canadian committee for democracy which is one of the constituent groups which have worked with our committee conducted this economic loss survey. They sent out forms some of which I can refer to in detail, asking Japanese Canadians who might have had any property losses to fill in these detailed forms. The form has a number of headings which I can show you. At the present time they have received about 600 replies from all across Canada. The committee emphasized in the instructions that went with the reports, that they were anxious that there should be no exaggeration or puffing of these claims, and that they wanted a sober survey of what the situation was. As I say, we have some 600 replies. We cannot, of course, vouch for the accuracy of the statements as we have not had an opportunity of checking them but they are summaries, by and large of what the Japanese Canadian committee for democracy have asked for. I think I should add that after the Prime Minister, on the 24th of January, made his statement that some compensation would be made, and some machinery set up to provide for the loss of property arising out of the evacuation, that we had discussions with the Secretary of State who was good enough to spend some time with us on the matter. We put our representations before him and received every courtesy and co-operation and we are putting before this committee more or less the same information that we put before the Secretary of State. If I may, I will put our submission in first before I go into the evidence that we have. What we are asking this committee to recommend is that when the government sets up a commission, as I believe it proposes to do, that the terms of reference of the commission should be broad enough to cover all the property losses naturally and reasonably arising out of the evacuation. We have not endeavoured to put the losses of the Japanese Canadians on the basis of any impropriety on the part of the custodian or any other official of the government. What we say is by reason of the evacuation orders and of the fact that a great many of the Japanese Canadians were required to leave the coastal area as a matter of public policy, and without any fault of their own, the losses of property which can be weighed and which are fairly definite should be provided for. We are not asking for speculative claims but these definite losses should in fairness and justice be paid; and we would like to point out that that is a very much broader proposition than merely confining the issue to the action of the custodian, because it is our submission that no matter how carefully or how well the

custodian and his representatives act in seeking to protect property or how well they sought to make the result of the sales the inevitable result of the circumstances under which the sales were made and things that happened before the custodian stepped in; the deterioration of property, vandalism and various other things of that sort, makes it quite impossible for the custodian to have prevented losses arising through no fault of those who were required as a matter of government policy and without any disloyalty or fault of their own to leave their homes, their farms and their businesses.

Now, I think we can put the situation, it may seem a little indirect, Mr. Chairman, as briefly and as well as we can by telling the committee that if it does not have this information already of the parallel situation in the United States—because the Prime Minister has said in dealing with this matter that similar conditions arose in the United States and that Canadian policy must in general terms be a continental policy—while there would not be an exact following of the American procedure some similarity of policy was necessary; and that the situation which existed in Canada also existed in the States. I would like, with the permission of the committee, Mr. Chairman, to read a letter which was sent by the Secretary of the Interior, Mr. J. A. Krug, representing the government of the United States, to the Speaker of the House of Representatives and a similar one to the Speaker of the Senate, inviting them to set up by act of their congress a claims commission with authority to investigate in broad general terms all things arising out of the evacuation order.

Mr. FLEMING: Pardon me, what is the date of that letter?

The WITNESS: April 24, 1946.

The VICE-CHAIRMAN: What is your pleasure, gentlemen; shall the witness have permission to read the letter?

Carried.

The WITNESS:

THE SECRETARY OF THE INTERIOR

WASHINGTON

April 24, 1946.

MY DEAR MR. SPEAKER,—Enclosed is a draft of proposed legislation to authorize the adjudication of claims of persons of Japanese ancestry against the United States for losses arising out of the evacuation or exclusion of such persons by the War Department from the West Coast, Alaska, and Hawaii during World War II.

In 1942, the War Department, acting under executive order No. 9066, ordered the exclusion of all persons of Japanese ancestry from the Pacific coast of the continental United States, Alaska and a portion of Arizona. Most of them were removed to relocation centres administered by the War Relocation Authority. They were joined later by over 1,000 persons evacuated from Hawaii. For approximately two and one-half years, these American citizens and their alien parents, more than 100,000 in number, were exiled from their homes. After January 2, 1945, the majority of them were allowed to return to the evacuated areas and to pick up the unravelled ends of the life they knew before the forced evacuation. By the end of 1945, about half of these people had so returned.

Mr. Chairman, that situation is not parallel here; at first, the Japanese-Canadians did not return.

The remainder have been scattered throughout the country or, in the case of the thousands who are in the armed forces of the United States, are serving with the army of occupation in Europe or Asia. It is too early as yet to make a final estimate of actual financial and property losses sustained by the Japanese-Americans because of the evacuation, but it is well established that the losses have been heavy. Some lost everything they had; many lost most of what they had.

The chief military justification for the removal of these 110,000 persons was the possibility of the existence of a disloyal element in their midst, the critical military situation in the Pacific which increased uneasiness over the possibility of espionage or sabotage, and the lack of time and facilities for individual loyalty screening. The persons evacuated were not individually charged with any crime or with disloyalty, and subsequent experience has clearly demonstrated that the vast majority of them were and are good Americans. This is convincingly indicated by the outstanding record of our 23,000 Japanese-Americans who served in the armed forces in both the European and Pacific theatres, and by the fact that the records of the intelligence agencies show no case of sabotage or espionage by Americans of Japanese ancestry during the entire war.

Again, I might stop there and say that the experience in Canada, I believe, has been exactly the same. Our Japanese-Canadians have shown themselves to be loyal Canadians, and as far as I know there have been no cases of charges of sabotage against them.

Mr. GREEN: Of course, there are some internments.

The WITNESS: Yes, and I suppose the same thing happened in the United States. There was a small group which were affected at the very beginning of the war. I am talking now about the most of those in respect of which there was no internment.

The evacuation orders gave the persons affected desperately little time in which to settle their affairs. The governmental safeguards that were designed to prevent undue loss in these circumstances were somewhat tardily instituted, were not at once effectively publicized among the evacuees, and were never entirely successful.

I wonder if I might stop there to suggest to the committee that where people are scattered it is quite difficult effectively to publicize the steps that the government takes. Some of these people, I suppose, were not literate, could not read English and the net result was that in many cases they were made aware of the evacuation orders a week, or in some cases just a few hours before they were required to be evacuated; and that, despite every effort to acquaint them with the policy.

Merchants had to dispose of their stocks and businesses at sacrifice prices. In a setting of confusion and hysteria, many evacuees sold personal possessions for a small fraction of their value.

That is particularly what happened in the United States, it also happened here. We have quite a large number of cases where people sold out businesses or personal possessions because of that sort of thing and when they received the evacuation order they sold what they had for the best they could get; and it was very natural that they should do that. No fault, I think, attaches to them and certainly not to the government agency because that happened; and yet our submission is that was a loss that naturally arose out of the evacuation orders.

A large number had to accept totally inadequate arrangements for protection and management of property.

The same thing happened here. People had to give up. They had to put someone in charge of their property, anybody they could find.

Mr. SMITH: May I suggest, Mr. Brewin, that when you cease quoting you say "end of quotation"; and then when you resume "quote"? In that way we will know what part of the material is being read and what is your own interpolation.

The WITNESS: Thank you very much, I will do that. I am quoting now:

Valuable leasehold interests had to be abandoned.

Continued exclusion increased the losses. Private buildings in which evacuees stored their property were broken into and vandalized.

This committee, I believe, already has some evidence of that sort, that is the sort of thing which is bound to happen under the circumstances which existed.

Mysterious fires destroyed vacant buildings. Property left with "friends" unaccountably disappeared; goods stored with the government sometimes were damaged or lost. Persons entrusted with the management of evacuee real property mulcted the owners in diverse ways. Tenants failed to pay rent, converted property to their own use, and committed waste.

That may have only happened to a small extent here, but under the circumstances it was inevitable that it should happen to some extent.

Prohibited from returning to the evacuated areas even temporarily to handle property matters, the evacuees were unable to protect themselves adequately. Property management assistance given by the War Relocation Authority on the west coast, although it often mitigated and sometimes prevented loss, could not completely solve the problem there, complicated as it was by difficulties in communication with absent owners and local prejudice.

In our view a precisely similar situation faces the custodian, and certainly through no fault of the agencies concerned.

Mr. FLEMING: Mr. Brewin, have you a copy of that letter?

The WITNESS: I am sorry, I haven't:—

In relocation centres the only income opportunities for evacuees lay in centre employment at wage rates of \$12 to \$19 per month, plus small clothing allowances. Many felt compelled to discontinue payment of life insurance premiums. Some found themselves unable to make mortgage or tax payments and lost substantial equities.

All of the foregoing examples of tangible loss to the evacuees are directly attributable to the evacuation and continued exclusion of these persons from their homes. Unlike our fighting men and their families, who also made financial and personal sacrifices in this war, this group was given no statutory right to ameliorating benefits. These persons have had to bear the losses occasioned by the evacuation in addition to the war-time deprivations they have shared with the rest of the American people. For the first time in our history, persons of Japanese ancestry are appearing in substantial numbers on the relief rolls.

I don't believe that applies here at all.

The least that this country can do, in simple justice, is to afford some degree of compensation for the measurable special losses that the evacuees have suffered.

The only clear recourse which the evacuees now have, through the passage of private relief bills, is totally impracticable. The potential volume of evacuee claims, if added to the load under which the congressional claims committees are already labouring, might well produce a virtually unmanageable burden. The obvious result would be to postpone the settlement of most evacuee claims for an indefinitely protracted period. To provide for adjudication of the claims by the court of claims would be an imposition on that court, because of the small individual amounts involved and the potential volume of claims, and unfair to the claimants, because of the expense of prosecuting a claim before the court of claims and the probable delay in adjudication. The most economical and practical solution—one which congress has adopted on numerous occasions in the past for the handling of case claims arising out of a special subject-matter—is the creation of a special tribunal to hear and determine the claims.

The enclosed bill would establish an evacuation claims commission as such a tribunal. In order to avoid increasing the number of independent agencies and to benefit by the experience which this department has had with the entire evacuation and relocation problem, the bill would establish the commission within this department rather than as a separate federal agency.

The commission would have jurisdiction to adjudicate claims by persons of Japanese ancestry for damage to or loss of real or personal property, or other impairment of assets, that arose from or as a natural and reasonable consequence of the evacuation and exclusion program. This standard is sufficiently flexible to permit the commission to consider claims involving "property" losses only in the broad sense, such as the impairment of going-concern values. At the same time the standard excludes claims that are speculative and less definitely appraisable, such as claims for anticipated wages or profits that might have accrued had not the evacuation occurred, for deterioration of skills and earning capacity, and for physical hardships or mental suffering.

In determining the amount of relief to be granted, the commission would be required to consider other existing or intervening factors that affected the loss. Thus some losses, as in the case of businesses specializing in import of sale of Japanese goods, would have occurred even if there had been no evacuation. Likewise, damage may have been aggravated in some cases by failure of the evacuees to take steps which they reasonably should have taken, even in the abnormal circumstances, to protect themselves. On the other hand, there are numerous instances in which intervening factors immediately causing the loss, such as arson, theft, mortgage foreclosure, loss of goods while in government possession, or breach of trust, should not affect recovery, because the situation giving rise to the loss would not have occurred had the owners been permitted to remain in possession.

Among the types of claims excluded by the bill from consideration by the commission are claims of persons who were voluntarily or involuntarily deported to Japan after December 7, 1941, or who are resident in a foreign country. Several hundred evacuees voluntarily repatriated to Japan during the war. Since termination of hostilities approximately 7,500 persons, most of them evacuees, have at government expense voluntarily gone to Japan, chiefly from internment camps and the Tule Lake segregation centre. In addition, the Department of Justice has been determining who among the aliens (including persons who renounced their American citizenship) should be deported to Japan. This

processing is the culmination of the loyalty screening procedures to which the evacuees have been subjected since the evacuation. I do not believe that those repatriates and deportees have any moral claim upon this government. Similarly, I believe that persons who before the war went to Japan or elsewhere to establish residence have no claim for compensation that we need recognize.

The remaining provisions of the bill are largely self-explanatory and I shall merely mention the more important. All claims would have to be filed within 18 months following enactment, and the commission would be required to complete its work within three and one-half years thereafter. The commission would have broad investigatory authority, including the power of subpoena, and each claimant would be entitled to a hearing. Assistance in preparing claims for filing could be extended by the commission to needy claimants. The commission's adjudications would be conclusive and a bar to further recovery. Awards would be paid in the same manner as are final judgments of the court of claims, except that the commission would be authorized to pay small awards, not exceeding \$2,500 in amount, in order to afford more expeditious relief to those whose need may be acute.

As a matter of fairness and good conscience, and because these particular American citizens and law-abiding aliens have borne with patience and undefeated loyalty the unique burdens which this government has thrown upon them, I strongly urge that the proposed legislation be enacted into law.

The Bureau of the Budget has advised me that there is no objection to the presentation of this proposed legislation to the congress.

Sincerely yours,

J. A. KRUG,
Secretary of the Interior.

Hon. SAM RAYBURN,

Speaker of the House of Representatives.

And now, may I say that in brief what we are asking this committee to recommend is a claims commission similar in general outline with similar general powers to be set up to investigate the situation in Canada which, roughly speaking, is a parallel. I may be allowed to point out now the difference in the United States where the Japanese-Americans were allowed to go back after January 5, 1945. You had a different situation in Canada.

Mr. FLEMING: Are you going to tell us anything about the action which has been taken by the two houses of congress pursuant to Mr. Krug's request?

The WITNESS: Yes. That is a matter on which I am not completely up-to-date. When the matter first came before it, it was reported favourably on by the judiciary committees of both the Senate and the House of Representatives. I believe it was approved by the Senate but it was not approved by the House of Representatives. It came up at the fag-end of the session. I am not sure whether there was any discussion on it in the House of Representatives or not, but in any event I am informed that it did not pass that house and that it could only have passed had unanimous approval been forthcoming and that was not the case, so the bill was put over until the present session of congress. When I had an opportunity of seeing the Secretary of State at the beginning of this year—I think that was in March last—I raised this matter and he suggested that he had some information to the effect that the United States government and congress had not proceeded with the legislation. I wrote down to the

- | | |
|--|---------------|
| Estimated market value at time of evacuation | \$..... |
| Price sold by committee or custodian | \$..... |
| What payment, if any, have you received from the custodian | \$..... |
| Estimated present day market value | \$..... |
| Deductions connected with above sales | \$..... |
| Net amount received | \$..... |
| 9a. Fishing gear: | |
| Estimated market value at time of evacuation | \$..... |
| Custodian's selling price | \$..... |
| What payment, if any, have you received from the custodian? | \$..... |
| 10. Personal estate: | |
| Estimated market value at time of evacuation: | |
| (a) Automobiles, trucks, etc. | \$..... |
| Custodian's selling price | \$..... |
| (b) Furniture, fixtures, radios, cameras, etc. | \$..... |
| Custodian's selling price | \$..... |
| (c) Miscellaneous | \$..... |
| Custodian's selling price | \$..... |
| 11. Loss of revenue (rent, income, wages, etc.): | |
| 1942 \$..... 1943 \$..... 1944 \$..... 1945 \$..... 1946 \$..... | |
| 12. Accounts uncollected (Rent, interest, loan, deposit, claims, etc.): | |
| | \$..... |
| | \$..... |
| 13. Fees paid (attorney or agent, storage, transportation, travelling, medical, education, funeral or any other service fees which can be directly attributed to evacuation): | |
| | \$..... |
| | \$..... |
| 14. Personal loss due to: Cancellation, abandonment of insurance policies, contracts, etc. | |
| | \$..... |
| | \$..... |
| 15. Family allowances and relief deductions: | |
| Had family allowances not been denied while in British Columbia, what total payments would have been received since | \$..... |
| Were relief payments deducted from your custodian account? | \$..... |
| If so, state amount | \$..... |
| 16. Comments: | |
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| | |
| To the best of my knowledge, the foregoing facts are true. | |
| Date..... | Signed..... " |

The VICE-CHAIRMAN: Is that form sworn to?

The WITNESS: No, we did not ask that.

By Mr. Pinard:

Q. Who prepared these forms?—A. The Japanese-Canadian Committee for Democracy.

Q. Who are the members?—A. Mr. Tanaka here is chairman. Most of the members are in Toronto although they have started affiliated groups and contacts in camps throughout the whole of Canada; but the actual executive and the important part of the work is done by a committee on behalf of the Japanese and they are largely resident in Toronto and district.

Q. Were these forms sent to those who interned?—A. I do not know that.

Mr. TANAKA: Mostly to people here.

By Mr. Pinard:

Q. How many forms did you send out?—A. We sent out altogether 4,000 forms across the country.

Q. How many replies?—A. Six hundred. There are some areas where they have not replied yet but will reply.

Q. When were they sent out?—A. In December of last year right through to the present time. We sent them out first to Ontario and then extended it to other fields as we got committees in local areas to sit.

Q. A moment ago you were talking about 200 claims?—A. I was coming back to that and I want to say that I have a summary of the first 200 that we got in largely, I believe, from Ontario, the Toronto area. At that time it was London to Toronto. And according to the total estimated value of their real estate, business, farms, fishing equipment, and so on, the amount would total \$1,400,000. That is their estimate. It may be a little high; but it is what they think their various farms, properties and so on were worth. Then as to the amount that they received either in the way of forced sale or the custodian's sale price—they included both—what they received was \$351,000; so the total loss would be just over \$1,000,000. Now, that was the summary of the first 200 claims that came in. On investigation, no doubt, many of these claims may appear to include amounts that they cannot possibly establish, but we have a collection of these claims and I thought the committee might be interested to have one or two samples. There was one individual case of a person in Toronto that Mr. Tanaka brought to my attention. He secured the information; I did not. It was the case of Mr. and Mrs. Cato, living in Toronto. In September 1939 they purchased a 1928 model Oldsmobile sedan for \$175. After purchase they overhauled the engine and installed a set of four tires. The owners were notified by the custodian on January 21, 1943, re file letter 12980, that the car had been sold for the amount of \$15 and that administrative expenses totalled \$15. So they received nothing for the car. I am not suggesting it is necessarily a typical of the other cases where the actual result of the sale was negligible. It may have been that by the time the custodian got hold of the car it was only worth \$15 but we do not know about that. We do know that it was a sedan for which they paid \$175 and they installed a new set of tires and the net result was that they got nothing for it.

By Mr. Pinard:

Q. When was it purchased?—A. It was purchased in September 1939.

Q. At a price of \$175 at that time?—A. Yes, and they also overhauled the engine and installed a set of four tires. I am not trying to give any of these cases as shocking examples but rather as the sort of thing which has happened and which we submit requires investigation. Many of these claims are quite small. Now just a few minutes before I came into the room we ran through and picked out a few cases more or less at random from these forms and this is the sort of thing which is in them. Here is the case of a man named Robert Hoita, age 55, a Canadian veteran of the 1914-1918 war. He lived in Victoria. He is retired now because of his 1914-1918 war wounds and he was a gardener before. He says he purchased a piece of property on Francis avenue, Victoria, for

\$1,200 and that he added \$500 improvements. Then he estimates the market value at \$2,000. The city of Victoria assessed the property at \$1,700 and Hoita estimates the present market value at approximately \$2,500. The sale price according to his information was \$1,150 and he says it was not sold with his consent and he wants to know—some of them make comments on these forms here—why the custodian sold a residence of a 1914-1918 veterans.

Mr. WARREN: Did you say it was sold with his consent?

The WITNESS: No, it was sold without his consent. Then he says the furniture and fixtures were worth \$500 and were sold for \$160. He signs the form. There again we just picked this out. Some of these forms show substantial losses but on the other hand some of them show practically no loss. Here is one *re* Nahamura, age 45, a Japanese national, living in Vancouver. He is now living in *Gormley*. He was a landscape gardener and he says he purchased property in Vancouver for \$1,100 and he estimates the improvements at \$600 at the time of evacuation, and he said it was worth \$1,600. The assessed value was \$1,600. He estimates the present value at \$2,500 but the price it was sold for by the custodian was \$1,050 and he received \$600. In some cases there were deductions on account of relief payments to the family which would account for the difference, and we would suggest that the commission have power to look into these things. They were proper deductions at the time but I question whether those who had to leave their occupations and accept forced relief should have that money deducted from the sale price of the properties. Then Mr. Nahamura added some information. He says he had a Chevrolet pick-up delivery truck that he estimates was worth \$600 which was sold for \$400. Then he says he had furniture and fixtures, radio, etc. and he estimates their value at \$1,000 and said that the custodian's selling price must have been around \$100 because that was the amount of an unknown credit to his account. He deals with other expenses that he had and he summarizes his list. We have here also the case of Paul Suzuki. He was the sole proprietor of a cleaning and dressmaking business in Vancouver which he valued at \$2,069.45.

The VICE-CHAIRMAN: How was it made up?

The WITNESS: Furniture, fixtures and equipment, \$569.45; good will, \$1,500.

The VICE-CHAIRMAN: Good will.

The WITNESS: It may be high, one does not know. Then he includes a Pontiac coach which he values at \$1,563 and he said he made a forced individual sale at \$505. Then he adds this comment "I am a Canadian by naturalization. The evacuation was based on reasons other than military security. The government of Canada should bear responsibility for the restitution of the above losses".

Perhaps the reason for expressing that view is because he also says "two of my Canadian born sons have served in His Majesty's forces and true loyalty cannot be overlooked in considering the above losses."

Then there are a good many business claims. Here is a man, Mr. Nasu, a Canadian, at Ucllet. He says that he purchased property in 1940 for \$2,000. He estimates that he added \$2,000 in improvements and he estimates the market value at \$2,500. The assessed value was \$1,750 and he estimates the present market value of the property at \$3,750. The price sold by the custodian was \$720.85. Then he also has some details about fishing gear and furniture and fixtures.

Mr. Chairman, I do not know how much detail the committee wants. I could go on picking out cases at random.

Mr. SMITH: You have given us enough.

The WITNESS: The cases would show at least bona fide claims. In many claims, the amounts compare with the assessed value of the property and it is

surely improbable that the assessment was at a great over-valuation and the amounts recovered in many instances were less than the assessed value. Some of these cases were businesses that had to be disposed of in a hurry. Some were very substantial businesses. We have a lot of fishing boat claims and we have done our best to collect this material as thoroughly as possible. There are no doubt some exaggerations and there may be some explanation for these things which is not revealed to us in the forms, but we feel in these 600 cases, quite apart from the individual cases themselves, the overall survey shows that there is something substantial to be investigated. It also shows that many of these losses were sustained from what might be called forced liquidation before the custodian entered the property. In some cases there was disappearance of property. In some cases they said that actually in the more remote parts they had to leave within twenty-four hours of the time they received the notice and that in the excitement of the moment they would dispose of their property in the neighbourhood as quickly as they could. All of these things have satisfied our committee that a broad commission with wide powers of reference, not restricted to the enquiry of cases where the custodian sold at too low a price might be able to make proper assessment of the loss. The property may have actually been sold at the best price possible but, after all, if a large group in the community is required to leave in something of a hurry, values in that neighbourhood are going to go down very substantially apart from anything else at all. We request that this committee recommend to the government, it may be as the terms of reference in the bill before the United States Congress should be set up. In years to come there would be no feeling that we, as Canadians, and Canada as a country have not behaved properly to these people who are our fellow-citizens and who themselves, with the exception of a few at the beginning, have a clear record. We are very much convinced that is what the people in Canada would like to see done. The thing we are anxious about is that the terms of reference are not confined to a narrow scope so that a judge or commissioner sitting to determine the matters will not feel inhibited by the terms of reference when inquiring into the other aspects of the matter.

By Mr. Green:

Q. Have you worked out any terms of reference?—A. Yes, we have a suggestion to make to the government which follows very closely the American bill.

Q. Could you give the wording of your suggested reference?—A. We have suggested:—

1. There shall be constituted a commission under the general supervision of the secretary of state to be known as the "Evacuation Claims Commission". The commission shall consist of a chairman, who shall be a person who holds or has held high judicial office, two other members to be appointed by the secretary of state (or the Governor in Council).

Actually that is a matter for the government to concern themselves with as to which department or who shall appoint the members of the commission.

2. The commission shall have jurisdiction to investigate and decide upon any claim by a person of the Japanese race, arising on or after December 7, 1941, when and to the extent that such claim has not been compensated for by insurance or otherwise, and is substantiated in such manner as the commission may prescribe for damage to or loss or destruction to the real or personal property including without limitation damage to or loss or destruction of personal property vested in the custodian, or other impairment of assets that fairly arise out of or is a reasonable or

natural consequence of the evacuation of such person from the protected area in British Columbia by reason of the order of the minister of Justice under regulation 4 in the Defence of Canada Regulations or under P.C. 1665 of March 4, 1942, or any other law or order requiring the evacuation of the said area by persons of the Japanese race.

As used herein "evacuation" shall include voluntary departure from the protected area prior to but in anticipation of the making of any order under the regulations or orders in council above referred to.

The commission shall have power to consider in determining the amount of relief that would be fair and equitable according to the facts as they appear in each case, the existence or intervention of other causes effecting the damage or loss including action or non-action by the claimant or his representatives, and the action of the custodian of alien enemy property or his agents, and any monies paid over or held by the said custodian and deductions therefrom by way of commission or expenses or otherwise.

3. (a) The commission shall receive claims for a period of twelve months from the date of this order. All claims not presented within that time shall be forever barred.

(b) The commission shall not consider any claim

(1) For damage or loss arising out of the internment under the Defence of Canada Regulations of any person.

(2) For damage or loss on account of death or personal injury, personal inconvenience, physical hardship or mental suffering.

(3) For damage or loss to any property vested in the custodian by virtue of the trading with the enemy regulations.

4. The commission shall give reasonable notice to the interested parties, of an opportunity for them to be heard and present evidence before making the final determination of any claim, and shall be entitled to take evidence by way of affidavit or otherwise in its discretion.

It shall have for the purpose of any hearing or investigation authorized by this order, all the powers conferred under the Public Inquiries Act.

5. The commission shall dispose of all claims filed with it upon written findings of fact and reasons for the decision, and a copy of such claim shall be mailed to the claimant or his solicitor and shall be filed with the Secretary of State.

The amount of such claim, together with an allowance not to exceed 10 per cent of such claim for costs to solicitor or counsel representing the claimant, together with all expenses or costs incurred by the commission in connection with this order, shall be paid out of moneys, etc.

6. For the purpose of this order the commission may appoint the clerk and such solicitors, examiners, interpreters, appraisers and other employees as may be necessary to conduct the business of the commission and may call upon all departments and agencies of the government of Canada to assist the commission in the carrying out of the duties imposed by this order.

By Mr. Green:

Q. Do you include in that those Japanese who were evacuated from the coast, repatriated to Japan, about 4,000 of them?—A. I do not know that we either include or exclude them, expressly. I do not think there is any language that covers them.

Q. Your reference covers them all?—A. I suppose it does; any claim by any person of the Japanese race. There would be, I imagine, a considerable

difficulty over people repatriated to Japan, over their being able to present their claims. This is just the rough draft. No doubt the government have adequate draftsmen. This is an outline of what we thought from our point of view would be a medium which would establish fairness and justice to the Japanese-Canadians.

By Mr. Pinard:

Q. Do you think this should be included? Do you think they should be included?—A. There were several classes repatriated, some who were repatriated because they were disloyal to Canada—

Mr. GREEN: They were all repatriated.

The WITNESS: Some were repatriated because they were members of a family of old people and they had to go, but out of respect for their parents, or something like that. If they come back, if they are allowed to come back—it is a matter of government policy. When they are here, and they are Canadian citizens, we do not see any reason why they should not make a claim like anybody else. It all depends on the particular reasons for which they went. The government will decide its own policy with regard to it.

By Mr. Green:

Q. No, no; but everyone over sixteen years of age who requested repatriation was sent not because they were disloyal or for any reason of that kind, but because they asked to be sent over. I would like to know whether your committee believe that they should all be subject to the same rights of compensation as the Japanese who remained in Canada?—A. I do not think anyone who was deported for disloyalty should be.

Q. They were all deported at their own request.—A. I think it is a matter which should be considered on the basis of individual circumstances. If, as I say—and I am only extemporizing this, I have not obtained the view of the members of our committee—but as I say it is my information that quite a few of those who went away were the sons of aged parents and they all asked to go to Japan because it was a filial duty, because there would be no one to look after their parents over in Japan. They went voluntarily, they signed these forms and went. Many of them are still Canadian citizens. Certainly, I would not be one to say that they had not the right. However, perhaps that is a matter of detail. I don't suppose that this commission would purport to go over to Japan and hear claims from people living there. Our primary concern is with those who remained in Canada as Canadian citizens and who, we think, should have fair treatment such as we would like to accord to any other Canadian citizen.

By Mr. Fleming:

Q. I see here you have a one-year period of limitation within which claims can be filed.—A. Yes, we suggested that because we thought there should be some period of limitation, but we also urged that that limitation of one year operate only from the time when the commission is set up.

Q. That is one thing on which we wanted to be clear, the one-year limitation you proposed would operate from the date of the establishment of the commission?—A. That is right; I mean, there has to be some period. The commission can't go on for ever and ever. And we think that any Japanese-Canadian would have ample time within the period of one year in which to file at least some sort of a claim and get their names before the commission.

Mr. GREEN: Just one other question.

The VICE-CHAIRMAN: Are you through with your presentation?

The WITNESS: Yes.

By Mr. Green:

Q. You spoke of Japanese being evacuated on twenty-four hours' notice. Have you many cases of that kind which have come to your attention? I am very much surprised to hear that. —A. Again, Mr. Tanaka has the details more fully than I do. We had under the Forbes commission some cases, I would not say very extensive, of people on the coast in remote areas who did not receive word; and we may have some cases—there were notices that aliens would require to be evacuated and many Japanese-Canadians who were citizens thought they were not going to be evacuated. Then there were some notices given, I think, by radio. Some heard them and some did not; and some naturally took the attitude that being Canadian citizens it did not apply to them. Then, of course, there were some who could not even read, who did not hear about it until the last moment. I think the actual order for evacuation was made on the 4th of March.

Q. It took some months to carry out the evacuations. I know that it was done in certain areas at certain times. I would be very much surprised if there were many cases where there was not longer notice than twenty-four hours. —A. I do not suppose that there were many like that, but we have had other cases where there was a week's notice and cases where there was a notice of two weeks. You see, the process took place over a period of time. Yes, I see that I was right, the general order applying to all of Japanese ancestry was dated the 4th of March and I believe it would be on the 28th of March that public notice was given that they were required to evacuate—it would have been given a few days before that possibly, that Japanese nationals were required to remove from the lower mainland, were required to report on the 27th of March; naturalized were required to report on the 30th of March, and Canadian-born were required to report on the 31st of March. At that time they were generally given approximately twenty-four or seventy-two hours' notice to be ready for evacuation from restricted areas.

Q. That was to report, that was not to be evacuated?—A. Yes; but in many cases they had to come from some distances with all their things and I do not think they got back again to their homes.

Q. Oh, yes.—A. Mr. Tanaka, who was there, said there were some who did not have an opportunity to get back.

Mr. TANAKA: In some cases they only had a half-hour's notice.

Mr. FLEMING: Would you mind speaking a little louder, please.

The WITNESS: In some cases, he said, they only got a half-hour's notice. Of course, it would be a difficult thing to serve notices on a lot of these people.

Mr. PINARD: Don't you think they were expecting it?

The WITNESS: No, many of them did not.

Mr. LAPOINTE: They knew we were at war. Didn't they know about Pearl Harbour?

The WITNESS: They knew about Pearl Harbor. The first announcement of government policy was that Japanese aliens would be required to move from security areas. I submit that an announcement of policy like that would make some of them feel that they could continue to stay there because they were Canadian citizens. Perhaps some of them did not understand the implications of war. After all, lots of simple people do not understand what is going to happen when war circumstances arise.

By Mr. Green:

Q. The fishing boats were called in.—A. They were called in in January.

Q. They were called in in December. I heard the radio announcement myself, the 7th or 8th of December.—A. The order was made on the 15th of

January. They were immobilized I understand at the outbreak of war, immediately after Pearl Harbor, but I think the actual taking over was done in January. But even allowing the widest latitude there are bound to be quite a few who did not get satisfactory notice, who do not listen to radios. There are even people who do not read the newspapers; and until they got a positive notice that they themselves were required to go they may have been hoping and expecting that it did not apply to them. In any event there are bound to be under those circumstances, it seems to me, hysteria, confusion and excitement; they perhaps did what they would not otherwise have done. I think there is plenty of evidence of that.

By the Vice-Chairman:

Q. Mr. Brewin, would you tell us whether or not the United States took action along similar lines regarding sending out notices?—A. I am afraid that I haven't got that information.

Q. Do you know if they took any action?—A. I cannot say that. We had all this extra machinery and the sending out of the notices was tardy. What was done in their case, I do not know.

Q. Do you know whether they appointed a custodian along the same lines?—A. Very similar. Apparently they appointed a War Relocation Authority given roughly the same authority as our custodian.

Q. When?—A. I could not give you the date. You will know the custodian was appointed in Canada and given responsibility at an early date, I take it that the custodian—I suppose he has already given evidence—I take it that it was some time before he could take over the physical protection of the assets committed to his care; and it was during that period Mr. Tanaka told me that for a time he left, at the time he was evacuated, there were many properties which the custodian or his representative had not yet had time to do anything with. That had nothing to do with the actual date of the evacuation. The custodian may have moved as quickly as he could to deal with the properties which came under his protection, but the mere passing of the order does not protect the property; and some of these people, at any rate, were moved out before the custodian moved in. I believe you have taken evidence from his representatives as to that.

The VICE-CHAIRMAN: They were moved out before he had a chance to take over.

The WITNESS: They moved out at the order of the government; naturally they had to move out because of the government order.

The VICE-CHAIRMAN: And they left their property in the charge of friends.

The WITNESS: Yes.

By Mr. Smith:

Q. May I ask one question: having regard to the 200 claims to which you have referred, I understand they run to a total of around \$700,000 to \$800,000?—A. Around \$1,000,000.

Q. Don't you think that might be an average?—A. I think it might be a little higher than the average; for this reason, that people submitting claims might have put a little higher value on them than was really justified, notwithstanding the fact that we asked them to keep the claims, as I said, conservative; and, too, many included items which properly should not be there.

Q. If you compare the 200 with the 4,000 it just takes a little simple arithmetic to arrive at the answer; it is going to take something like \$20,000,000 to \$30,000,000 to settle these claims.—A. No, with great respect; that, in my view, is very unlikely. Out of the 4,000 that we sent out we have, so far,

received only about 600 replies. We sent the forms out to everybody of whom we had knowledge because we wanted to make it as fair and complete as possible. Quite a few of those to whom we sent these forms have claims and there are quite a number of others who have not. As a matter of fact, we would be very much surprised if there were more than a thousand claims in all, from the information we have. That would mean, on the basis of the 200 claims of which we have made a summary, that out of the total of 1,000 claims which we expect you would have, on the basis of a rough average, a total amount of \$5,000,000; and, as I said before, no doubt some of these claims would in the final analysis not amount to any substantial figure. In my estimation, that would be a rather high figure to put on it. We are not for a moment thinking in terms of \$20,000,000 or \$30,000,000.

Q. Then you do not think the 200 claims which you have summarized would be a fair average for the 4,000?—A. Certainly not. Of the 4,000 we sent out we have received so far only about 600. Then, as I say, we do not expect altogether that there will be more than about a thousand to file claims. We do not expect everyone to whom we sent the 4,000 questionnaires will have a claim to file, by any means. As a matter of fact, if one thousand out of the 4,000 makes a claim we think that would be a very high average.

Q. On what do you base that statement?—A. On our experience to date. For instance, 200 claims came in out of 650, that was in an area in the Toronto district where the better-to-do tended to settle. Included in those to whom the questionnaires were sent were a lot of younger people who would have no property, so I think that would be a high average. We anticipate that there will be about 1,000 claims, although there may be more.

Q. I want to ask you about one other matter, and that is all. These claims are being instituted against the dominion government. Let us take a family which I know very well who were evacuated from a point in British Columbia and settled in Alberta. They are at the present time to my own personal knowledge definitely better off farming than they would have been had they stayed on their own small piece of land in British Columbia. Do you not think that in a case of that kind that is something which should be taken into account; in other words, they benefited by the evacuation; should not that be taken into account?—A. We have suggested that the commission be given the power to take into account the widest variety of things under all circumstances with respect to those who were evacuated; in other words, to define what is fair and reasonable in regard to each. When you are talking about property claims; if I have a loss on a car and have got perhaps only a fraction of its value, the mere fact that years later I may have got some benefit from the change does not make me feel that I should not get the value of the car.

Q. You are a lawyer, and so am I; if I do something to you which in effect increases your assets, that is taking into account in all circumstances, isn't it?—A. I quite agree, that anything tangible that increases assets should be considered and we have projected that in our draft; but I do not agree that intangible things such as the fact that you may be doing a little bit better now than you were before should be taken into account. On the same parity of reasoning we would be able to present large claims for those who left prosperous businesses and skilled occupations but who are perhaps working on sugar farms in Alberta as common labourers. We are not asking to include those claims because we regard them as ineligible in that they are not tangible enough to make a basis for a reasonable claim. Now, by parity reasoning we do not take the whole thing intangibly. They did have the evacuation policy and there were many forced sales and so on, and that is the reason we have suggested the broad terms of reference so that the cases could be studied. We certainly do not think that a lot of intangible benefits should be included.

Q. All right, but you have in one of your claims so much for the good-will of the business. Obviously that claim is based on the worth of the business at that time including an intangible thing called good-will. Surely that ends there. Now assuming that person, and I am not disputing this for a moment so please do not misunderstand me, but supposing that person was compelled to move from the coastal area with his family. He would have been undoubtedly better off if he had not done that. Do you not think there should be some consideration, or let us use whatever other word you like, given to him?—A. I think the commission should hear evidence all about that and try to decide what is fair.

Q. That is all I wanted to know?—A. Yes, there are many things on both sides that have to be taken into accounts.

The VICE-CHAIRMAN: I want to ask Mr. Brewin if he will be good enough, as have been previous witnesses, to table one complete folder?

The WITNESS: Yes, but I wonder if I might have it back. These are the only copies we have got and if we can get them back from the committee it would be fine.

Mr. MARSHALL: How many cases are there in the one folder?

The VICE-CHAIRMAN: There are twenty-four, they cover numbers 136 to 160.

The WITNESS: There may be a few fishing claims and something of that sort.

Mr. MARSHALL: I think we should have samples of the various things, the small farms, and the fishing, and so on.

The WITNESS: We would be glad to leave all these claims with your committee if we can have the assurance that when the commission is appointed we can have them back. They are, as it were, the brief on which we are going to be replying. They are the instructions from our clients.

The VICE-CHAIRMAN: They will be in the custody of the clerk.

By Mr. Fleming:

Q. I would like to ask Mr. Brewin to clear up one point. Are there any claims being made for business losses? I gather from your remarks to Mr. Smith that there are no claims for business losses, but they might be related to good-will. Now we had evidence from the custodian and from the custodian's representatives that they did not have the opportunity to buy and sell businesses as going concerns but what they sold was the assets of the business, the furniture and the fixtures and so on. Have you any comment to make on that?—A. If you are asking my personal opinion I think the good-will of the business enters into all valuations. If somebody requires me to leave suddenly and my business collapses there are principles of law by which the good-will can be estimated and I do not know of any reason why that should not be considered.

Q. Is the scope of the commission you are asking broad enough to cover that?—A. It includes the impairment of assets and loss of property and I think it would be broad enough to cover that.

Mr. GREEN: Do you think there should be a set-off or claims for moneys that were advanced to an individual?

The WITNESS: That is one thing we want the commission to investigate, yes. There are some claims. Take a man who was steadily employed and was required to be evacuated. He became virtually unemployed and his family was put more or less on relief. We do not think in those circumstances that the relief should be charged against him. We want the commission to have power to investigate things like that and determine whether they think it is fair and whether such moneys should be allowed as a set-off or not. Certainly I would think it unfair if you had taken a person's job away from him, through no fault of his own, and then charge him with the expense of keeping him and

at the same time take it out of his property which is sold. After all, even when people are sent to jail for some crime they are not charged with their board; true, they have substantial losses, but I do not think it is a sound principle that losses which come to them through no action of their own at all; that any tangible benefit should be deducted. All we ask is that the commission should be given broad enough scope to consider and determine what are proper deductions and proper expenses to be taken off.

The CHAIRMAN: Thank you.

Mr. PINARD: May I ask just one question; are we going to come back this afternoon?

The CHAIRMAN: I was just going to ask if it was the wish of the committee that we sit again this afternoon.

Mr. FLEMING: I imagine the witness is about through.

Mr. MARSHALL: I have one or two questions I wanted to ask.

The CHAIRMAN: Yes.

By Mr. Marshall:

Q. Of this \$1,000,000 of which you spoke what percentage of that would actually relate to business?—A. Well, I can break it down. There is the loss that they estimate on real estate; that will be roughly \$160,000; the loss that they estimate on business they put at roughly \$600,000.

Q. In the particular case about which you spoke I think \$1,500 represented good-will in the business; that was included in your calculations, I take it?—A. Yes.

Q. Now, is it possible to find out how much of the \$1,000,000 of the estimated loss in these 200 cases would represent good-will?—A. I could not give you that offhand.

Q. Could we get that?—A. The total here for business is \$600,000, for that includes physical assets. How much of that is good-will I cannot tell without going to the forms and picking it out.

The CHAIRMAN: Would it be fair to suggest, Mr. Brewin, that of that amount 75 per cent would represent good-will?

The WITNESS: No.

Mr. JOHNSTON: I do not think we should have any guessing about this thing. I think we should have the actual figures.

The WITNESS: I am sorry we cannot give you the figures. In the case to which reference was made I would not say the figure was typical because in a good many cases good-will was not estimated. They gave the physical assets of the business. In some cases you might say that they were just hoping, if you get what I mean.

The CHAIRMAN: Mr. Brewin, would you tell us if you personally or anyone on your committee, investigated any of the claims submitted?

The WITNESS: I think I can say fairly that we have not investigated the claims. We are in Toronto and most of the property is in British Columbia and we have just presented the claims. We have done everything we could to keep the claims modest and reasonable, and we think on the whole we have been successful; and that is shown to be the case because in some of these claims the actual value claimed is the assessed value; which is a fairly good indication that in at least a good many cases they were very reasonable. We have not had the machinery to investigate the claims and that is why we want the commission.

Mr. BURTON: That is why you want the commission?

The WITNESS: Precisely.

By the Vice-Chairman:

Q. What was the date of the president's letter to the Prime Minister of which you say you have not got a copy?—A. I am sorry, I do not know.

Q. Well we can get a copy from the Prime Minister.—A. It was just a letter saying that the Japanese-Canadians had been loyal citizens and hoping that congress would pass this bill.

By Mr. Pinard:

Q. As far as the sale of businesses is concerned, do you think we should take this fact into consideration? If the Japanese had not been evacuated do you think they would have been able to keep their businesses as before? Due to the fact war had been declared do you think this angle should not be taken into consideration?—A. No, I do not think they should have to suffer special loss on account of the war. Many of these people about whom we are speaking are Canadian citizens, or loyal aliens, and it is perfectly true that the war situation might have reduced their property valuations or it might have increased them.

Q. I am not talking about property valuations, I am talking about the businesses.—A. As I stated, Mr. Krug in his letter, pointed out that a business that was say exporting to Japan or importing from Japan, would suffer a loss which would not arise out of the evacuation. That loss would have occurred at any rate. With regard to that sort of loss we would not press any claim because under the formula we have suggested it would not arise out of the evacuation orders. Generally speaking, however, war conditions improved values rather than reduced them.

Q. You say you sent 4,000 forms out and you got 650 answers. Do you think a portion of those who did not answer were satisfied with the situation as it was?—A. I do not think so. I think probably in some cases the claims were very small. Some of these claims we might not be able to appraise because they might depend on the loss of earnings or something like that, and because there is no perfect world from which they could recover their losses, they did not bother to send them in. I mean that people, after all, would not be bothered filling in the form and sending it in unless they were entirely dissatisfied. These reports, however, are pretty well all cases of people who feel, rightly or wrongly, that they have grievances.

Q. Yes, but there were some 4,000 who did not have any complaint?—A. A lot of the claims are confined to assessment of property losses and the younger people would not have any claims.

By the Vice-Chairman:

Q. You have expressed your opinion quite freely Mr. Brewin, would you say that the average business as carried on by the Japanese population would more or less have dried up because of the war?

Mr. FLEMING: You mean apart from the fact that the evacuation took place?

By the Vice-Chairman:

Q. If there had been no evacuation?—A. Well I do not think I am qualified to answer that question. In some cases it might have gone on, but it would depend on those special conditions that did arise, and whether it was felt that there might have been some danger in having Japanese-Canadians there. It is perfectly possible that there would have been some losses on that basis.

Q. Are there any further questions of the witness?—A. I am sorry I must explain to the committee that I have a business appointment in Windsor but the committee could hear Mr. Tanaka, who has had personal experience in all these matters.

