

Kato registered and  
also found and

PH 9148 Jm 3  
P. Nicks

**CANADA**  
**DEPARTMENT OF THE SECRETARY OF STATE**  
OFFICE OF THE CUSTODIAN

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTODIAN'S OFFICE  
PLEASE REFER  
TO  
56566  
FILE NO. ....  
RAH/AMCD/EMM

AL 6366

Victoria Building,  
7 O'Connor Street,  
Ottawa 4, Ontario.

June 25, 1954.

Dear Mr. Shears,

Re: Masataro Mukai.

Masataro Mukai of Toronto is claiming the proceeds of the sale of three vessels, which were sold by the Custodian in the year 1942.

"Moresby No. 2"  
"Moresby No. 3"  
"George Bay"

The proceeds are held by the Custodian in the name of Kotaro Ota. Mukai claims that he and not Ota is the beneficial owner of these proceeds and it would be very much appreciated if you could make a complete investigation of all matters connected with the sale, including P. S. Ross and Sons' records, with a view of ascertaining the truth about the beneficial ownership of the three vessels immediately prior to the time of the Custodian's vesting.

The Vancouver correspondence file in this office is No. 56566 - 1114 and some of it has the reference Nos. Enemy 716 and 173. Particulars of the prices received for the three vessels and the expenses are set out in your letter of January 31st, 1951 to Mr. R. J. McMaster of Vancouver, the net amount credited to the account of Kotaro Ota being \$12,548.89.

We recently obtained particulars of the Shipping Registry Records in Vancouver and for your convenience, we enclose a copy of our memorandum dated April 5, 1954 of the particulars of the searches of the titles to each of the three vessels. We also enclose copies of the following material:

Statutory Declaration of Masataro Mukai  
dated 12th October, 1951.

Statutory Declaration of Masataro Mukai  
made 29th October 1952, and exhibits  
B and C thereto.

Statutory Declaration of Shoichi Nishi  
dated 29th October 1952.

Letter dated May 20th, 1954 by Mrs. Kita  
to Mr. F. A. Brewin.

Letter dated March 31st, 1954 from Mr.  
Cameron, M.P.

and shall be glad to send you the Vancouver Office files in the matter if you find they are necessary.

Mr. F. G. Shears,  
4615 West 9th Avenue,  
VANCOUVER,  
British Columbia.

.... 2.



From the Mukai declaration you will note that Mukai states that the three vessels were built and paid for by Mukai, but that the registered owner of "Morsby No. 2" was a limited liability company in which Masataro Mukai claims to have held a majority of shares. On what date he did so is not stated. The declaration goes on to state that the vessel was transferred by Bill of Sale to Ryotaro Kita as trustee for Masataro Mukai (registered June 29th, 1935). The name of the transferor is not given and Ryotaro Kita is now deceased.

The declaration states that "Morsby No. 3" was originally registered in Masataro Mukai's name and on January 29th, 1934 was transferred to Ryotaro Kita as trustee for him.

Also, that "George Bay" was registered on May 9th, 1927 in the name of Osamu Nakatsura as trustee for Masataro Mukai and was transferred by Bill of Sale (registered June 8th, 1939) to said Ryotaro Kita, also as trustee for Masataro Mukai.

The declaration also states that the licensed owner of the three vessels was Kototuro Ota, because of Masataro Mukai residing in Japan and that Kototuro Ota is now deceased, but it is claimed that he had no beneficial interest in the vessels.

It is to be noted that the licensed owner is not the registered owner of the three vessels.

In support of his claim Masataro Mukai produces a letter from Kototuro Ota's widow to the effect that Kototuro Ota had no beneficial ownership of the vessels.

You will note that nothing is produced from either of the two registered owners, Ryotaro Kita or Osamu Nakatsura to acknowledge that neither of them had any beneficial interest in the proceeds of the sale of the vessels. True, a Declaration by Shoichi Nishi is produced to the effect that said Ryotaro Kita and Osamu Nakatsura had informed him that Masataro Mukai had paid for the vessels and was beneficial owner of them, and that Ryotaro Kita had acknowledged he had no beneficial ownership in them, and also that Kototuro Ota claims no beneficial interest.

From the Matsuyama File - No. 18836 Vol. II

Recommendation made by P. S. Ross and Sons in their report of 24th February 1942 to the Custodian, page 11

"That title to the undernoted vessels administered by this company for the account of K. Ota (now in Japan) be transferred to the name of the Custodian.

Moresby No. 2  
M. V. Moresby No. 3  
George Bay "

Apparently such transfer was never obtained.

On page 7 of their report they indicate that the said three vessels had been chartered by Matsuyama Company for various periods in the year 1941. Although the report described them as "vessels owned and administered by the company during the 1941 season", it seems that they merely mean the three vessels were administered by the Matsuyama Company for that year.

Quoting from P. S. Ross and Sons' letter of May 20th, 1942 -

"The 'George Bay' and the 'Moresby #2', were sold for sums of \$2,000.00 and \$5,500.00 respectively, and the difference between these sums and the balance of \$1,292.45 owing by K. Ota to T. Matsuyama and Company Limited has been deposited in a special account in the Royal Bank of Canada.



We presume, as K. Ota is in Japan, this balance will be turned over to the Custodian."

Apparently from the above quotation, P. S. Ross and Sons were of the opinion that Ota had an interest in the three vessels. In that connection it is to be noted that in the letter of May 9th, 1952 from Ota's widow, (which was submitted in support of the Mukai claim) she stated that "my late husband had no investments in the three boats, while he was alive, he always told me and his family that everything belonged to Mr. Mukai."

In their letter of 10th June 1942 to the Department of Finance, P. S. Ross and Sons state, in connection with Moresby No. 3, "While the above vessel is in the name of R. Kita, the beneficial owner is K. Ota, resident in Japan." On 11th June 1942 P. S. Ross and Sons also wrote the Custodian, "As a matter of information for your files the 'Moresby III' is owned by K. Ota, whom we are informed is resident in Japan."

In its letter of 12th April 1943, P. S. Ross and Sons advised the Custodian:

"Re: K. Ota and T. Matsuyama and Co. Ltd.

The above person who is now, we understand, resident in Japan was the beneficial owner of certain motor vessels, although they were registered in the name of R. Kita, the manager of the above Company.

These vessels have been sold and the proceeds deposited in a special bank account of the Company. The sum of \$12,550.14 is in this bank account, and particulars of the receipts and the payments of the Company on behalf of K. Ota are shown in an interim report on the control of the above Company that you should receive in the next day or so."

From the K. Ota File - No. 55155.

I note that the Custodian paid \$3,893.12 for income tax in respect of the years 1933 to 1940 due by Ota, out of the proceeds of the sale of the three vessels. In other words, Ota's income tax was paid by the Custodian out of the proceeds of sale of the three vessels making it appear, at any rate, that the Custodian treated the proceeds as belonging to Ota.

The Vancouver Office statement of assets of Kotaro Ota states "owned 3 boats, George Bay, Moresby II and Moresby III."

Letter 16/12/46 from P. S. Ross and Sons "Re K. Ota". "We are enclosing herewith a cheque in the sum of \$12,548.89. This represents proceeds from the sale of three boats owned by Mr. K. Ota (in Japan). As mentioned to you in our report dated 8th April 1943, these boats were operated by T. Matsuyama and Company Limited." The cheque was drawn on the account of T. Matsuyama and Company Limited and they pointed out that it would be subject to a claim against Ota for income tax.

We have been informed that in one of Mr. Brewin's letters to Mr. McMaster, that dated January 29, 1951, he writes as follows:

"Mr. Kita reported to the Smith Committee and or to the Custodian that these vessels in his name had been committed to his care by, and were the property of Mr. Mukai."



The Toronto law firm of Cameron, Weldon, Brewin and McCallum is acting for the claimant Mukai and we have informed Mr. Cameron of that firm that we are asking you to further investigate the matter and when your report is received, our intention is to discuss the matter further with Mr. Cameron. An early report from you would be much appreciated.

Yours very truly,

K. W. Wright,  
Chairman, Administration Board  
and Chief Counsel.



Particulars of the Searches of Titles of  
the 3 Vessels

Moresby No. 3.

Original owner M. Mukai - Reg'd 18/5/26  
P/A 19/10/32 - to T. Takahashi  
Bill of Sale 29/1/34 - reg'd. 6/2/34 to R. Kita  
" " " 14/9/42 - " 23/9/42 from Custodian  
Registry closed 22/9/42 & Certificate of Registry  
delivered up and cancelled.  
1. Therefore legal title was in name of R. Kita  
immediately prior to Custodian's vesting.  
There were 2 discharged mortgages dated in 1927.

George Bay

Original owner O. Nakatsuru - Reg'd 9/5/27  
Bill of Sale 8/6/39 - reg'd 8/6/39 from O. Nakatsuru  
to R. Kita.  
Bill of Sale 22/4/42 - reg'd 5/5/42 from Custodian  
to British Columbia Packers Ltd.  
Therefore legal title was in name of R. Kita  
immediately prior to Custodian's vesting and al-  
though there is nothing in the Searches to in-  
diccate M. Mukai ever was owner, in Mukai's  
affidavit he says Nakatsuru held as trustee for  
Mukai.

Mtge. 8/10/42 reg'd 3/12/42 B.C. Packers to London  
& Western Trusts.

2. Discharged 24/7/43 by London & Western Trust.  
Appointment of Ships Husband 5/8/43.

Moresby No. 2.

Moresby Island Fisheries Ltd is Original Owners.

Bill of Sale 29/6/35 - to R. Kita  
" " " 22/4/42 - by Custodian to British  
Columbia Packers Ltd.

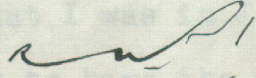
Therefore this Search shows legal title in name  
of R. Kita at time of the Custodian's vesting  
and there is nothing in the Searches to indicate  
M. Mukai ever was owner. In his affidavit,  
however, he says that he had a majority of the  
shares of that company.

Mtge 22/2/35 to Gardner Diesel Engines Ltd.

Discharged 25/3/42 by " " "

Mtge 8/10/42 by B.C. Packers Ltd to London &  
Western Trusts

Discharged 16/7/42.

  
R.A. Hutchon.



DOMINION OF CANADA	)	IN THE MATTER OF an Application by
PROVINCE OF ONTARIO	)	Masataro Mukai for the release of
COUNTY OF YORK	)	assets held by the Custodian.
TO WIT:	)	

I, MASATARO MUKAI, of the City of Toronto, in the County of York, DO SOLEMNLY DECLARE:

1. I am a Canadian citizen and a British subject by naturalization, the said naturalization taking effect from the 30th of June, 1921. On the 2nd day of September, 1939 I was residing in Japan and returned to Vancouver in July, 1940 where my residence was 1809 Venable Street, and I returned to Japan on the 1st of November, 1940 on a business trip. I become ill and was unable to return to Canada before the outbreak of hostilities with Japan. I resided in Japan at Taiji-Cho, Wakayama Ken until I returned to Canada in September 1950, entering Canada on the 29th of September, 1950. Since that date I have resided at 314 Berkeley Street in the City of Toronto where I am now resident. I have never been interned in any country in the British Empire or in any allied country.

2. Before the war I carried on business as an importer and exporter at 243 Georgia Street in the City of Vancouver, and later at 467 Powell Street in the City of Vancouver.

3. In connection with my business I had the following boats built for me which were paid for by my money:

1. Moresby No. 2
2. Moresby No. 3
3. George Bay

4. The registered owner of the Moresby No. 2 was Moresby Island Fisheries Limited of which I was the majority shareholder.

5. This vessel was transferred by bill of sale on the 29th of June, 1935 to Ryotaro Kita who was a shareholder and secretary of T. Matsuyama & Co. who also carried on the business of importers and exporters at 243 Georgia Street and later at 467 Powell Street in the same offices as those from which I carried on business.

6. The purpose of the transfer was that I was in Japan at the time and was ill and that it was necessary to have the boat registered in the name of a trustee for me. Mr. Kita, who is since deceased, never had or claimed any beneficial ownership in the said boat.



7. The Moresby No. 3 was originally registered in my name and, as I have said, was ordered and paid for by me, but on January 29, 1934, the vessel was transferred to the said Kita for the same reason as the transfer of the Moresby No. 2, and the said Kita was a bare trustee and had no beneficial interest and never claimed any beneficial interest in the boat.

8. The George Bay was registered on the 9th of May, 1927 in the name of Osamu Nakatsuru who was also an employee of the T. Matsuyama & Co. and was held by him as a trustee for me. I ordered and paid for the said boat and it was transferred by bill of sale which was registered on the 8th of June, 1939 to the said Kita for the same reason and the said Kita claimed no interest in the said boat and held solely as a trustee. The reason why the boat was not transferred at an earlier date to Kita was that Mr. Nakatsuru remained an employee of the T. Matsuyama & Co. until on or about the 8th of June, 1939 and there was no occasion to transfer the boat out of his name until he ceased to be an employee of the said company.

9. The licensed owner of the said boats was one Kototaro Ota who was my cousin. Mr. Ota worked in my business at the offices at 243 Georgia Street and 467 Powell Street and the only reason why he was licensed as the owner rather than myself was that I was in Japan from time to time in connection with my business and it was advisable that he, as he was working in my business, should have the boats in my name.

10. The said Kototaro Ota died in or about the month of November, 1948 and I have communicated with his widow who is now living in Japan, and now shown to me and marked Exhibit "A" to this my affidavit is a letter in Japanese sent to my solicitor F. Andrew Brewin, 372 Bay Street, Toronto, at my request. I identify the signature on the said letter as being that of Mrs. Ota, wife of the late Kototaro Ota, and I also identify the registered family seal which she has attached to the said letter. Now shown to me and marked Exhibit "B" to this my affidavit is a translation of the said letter.

11. Mr. Ota has never claimed any beneficial interest in the said boats, and indeed never had any interest in the same except as a trustee on my behalf.



12. I am informed and verily believe that the said boats were sold by the Custodian and that the proceeds are held as follows:

George Bay	Sold for	\$2,000.00
Moresby No. 2	" "	5,500.00
Moresby No. 3	" "	5,850.00
Gear etc.	" "	<u>700.00</u>
		14,050.00
Expenses re sale of Boats:		
Survey, commission, etc.		<u>202.21</u>
		13,847.79
Less owing to T. Matsuyama & Co.		<u>1,298.90</u>
		\$12,548.89
Credited to A/C of Katato OTO, (Kototaro OTA), File 1114		\$12,548.89

and that the said sum of \$12,548.89 is being held in the account of Mr. Ota as Enemy Funds.

13. Now shown to me and marked Exhibit "C" to this my declaration is a letter which was received by my Vancouver solicitors, Messrs. Campbell, Brazier & Co., setting out knowledge of Mr. D. J. Cousineau who was an engineer employed with me from 1926 up until the time of the evacuation.

14. I have not recently been in communication with Mr. K. Kimura of Cascade, B.C., but he was a shareholder of T. Matsuyama & Co. and is entirely familiar with the facts set out in this my declaration and will, I am sure if asked, verify the facts contained in this my declaration.

15. From the facts set out in this my declaration it will appear, and I so declare, that I was and have been at all times the sole beneficial owner of the three said vessels.

16. That no person, corporation or society residing or establishing in any country which has been at war with Canada has any interest in the said assets.

AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of "The Canada Evidence Act."



DECLARED before me at the City  
of Toronto, in the County of York,  
this 29th day of October, A.D.  
1952.

(Signed)  
Masataro Mukai.

?

A Commissioner, etc.

COPY/LL  
24/6/54

Signed: Yuzio Ota

Wife of the late  
Kototaro Ota

(Stamped with the registered  
family seal)



COPY/LL  
24/6/54

This is exhibit "B" to the affidavit of  
Masataro Mukai  
sworn before me this 29th day of October  
1952

?  
Commissioner etc.

May 9, 1952

372 Bay Street,  
Toronto, Ontario,  
Mr. F. A. Brewin.

Dear Sir:

For many years Mr. Masataro Mukai and my late husband, Mr. Kototaro Ota were engaged in the salt herring and salt salmon packing and exporting business together.

Although the three boats named 'Moresby II', 'Moresby III', and 'George Bay', were in my late husband's name, Mr. Masataro Mukai financed completely the building and operation of these three boats.

Since my late husband had no investments in the three boats, while he was alive, he always told me and his family that everything belonged to Mr. Mukai.

For this reason, all the monies realized from the sales of these three boats rightfully must go to the investor, Mr. Masataro Mukai. There is no doubt about this and I am asking you to do everything in your power so that Mr. Mukai can get this money.

Furthermore, I promise I will not make claims to this money at a later date, nor will I object or question Mr. Mukai receiving the monies.

Signed: Kunino Ota

Wife of the late  
Kototaro Ota

(Stamped with the registered  
family seal)

Throughout all these years Mrs. R. Kita was always head book-keeper.

Hoping the above information is helpful in straightening out these difficulties.

I am

Yours Very Truly,

B. J. Goodwin.



COPY/LL  
24/6/54

Exhibit "C"

R.R. I. Port Washington, B.C.

Feb. 15/47

Campbell, Brazier & Co:-

Dear Sirs:-

In reply to your enquiry re Mr. Mukai:-  
I became acquainted with him in 1925 at the shop of A. W. Lepage where I was employed as a mechanic and began to work for Mr. Mukai as engineer for his new boat the Moresby No. 3 in March 1926. At that time the above boat was under construction at A. W. Lepage's boat shop.

Mr. A. W. Lepage is still living in Vancouver and can be reached through his nephew Ted Lepage who is a partner in the "Gulf Lines." At the time of construction of the Moresby "3" the foreman shipwright was Bunji Hisaoka; a Japanese who later went into business. At the outbreak of war he operated the Stanley Park Shipyards.

In 1927 Mr. Mukai had another boat built by S. R. Wallace of North Vancouver. This was the George Bay which I was in charge of fitting out and was engineer on this boat also on her first fishing season.

In 1928 I was sent to Tedway in the Queen Charlotte Islands to do some repairs at a salmon Saltery there and also 2 boats the Moresby No. 2 and the Crane which I was told belonged to Mr. Mukai and for which he payed me by his own cheques. The Moresby 3 was about 57ft. long x 13 ft. beam, The Moresby 2 was about 50 ft. x 11ft., The George Bay was about 55 ft. x 12 ft. The Crane was about 32 ft. x 7 ft.

In 1929 Mr. Mukai told me he had purchased property at Otter Bay on Pender Island and was constructing a Herring Saltery there, Mr. K. Ota who was a cousin of Mr. Mukai told me he was in Partnership with Mr. Mukai in the Otter Bay plant. I became acquainted with Mr. K. Ota in 1926 when I did some repairs on a boat he owned then, called the Tedway.

Mr. Mukai purchased the above land from a Mr. Kamezo Matsumura in the fall of 1928 and it was approximately 4 acres, known as Part of Parcel "B" Section 17 Pender Island - Cowichan District. Am now the present owner of the adjoining 18 acres which was an original 22 acre lot and I think the Victoria Lands Dept. will have a record of this.

I was employed by Mr. Mukai from 1926 till 1942 when the Japanese were evacuated; with slight interruptions, through the Imperial Trading Co. of 243 East Georgia St. and T. Matsuyama & Co. of 467 Powell St.

Throughout all these years Mr. R. Kita was always head book-keeper.

Hoping the above information is helpfull in straightening out these difficulties.

I am

Yours Very Truly,

D. J. Cousineau.



345 Bay Street, Toronto 1, Ontario.  
CAMERON, NELSON, BREWSTER & MCGILLIVRAY

STATUTORY DECLARATION OF  
MAGNATANO MUKALI

Message to the  
in Application by  
IN THE MATTER OF

Dated

October 1, A.D. 1952



Dated                      October, A.D. 1952

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IN THE MATTER OF  
an Application by  
Masataro Mukai

---

STATUTORY DECLARATION OF  
MASATARO MUKAI

---

CAMERON, WELSON, BREWIN & McCALLUM  
372 Bay Street, Toronto 1, Ontario.



DOMINION OF CANADA  
PROVINCE OF ONTARIO  
COUNTY OF YORK

TO WIT:

) IN THE MATTER OF an Application by  
)  
) Masataro Mukai for the release of  
)  
) assets held by the Custodian.  
)

I, SHOICHI NISHI, of the City of Toronto, in the County of York, DO SOLEMNLY DECLARE:

1. I am a Canadian citizen and was naturalized as such in December, 1914 and am at present residing at 152 Browning Avenue in the City of Toronto.
2. I was an employee of T. Matsuyama & Co. since 1923 and until the evacuation during the last war, and I was employed in the capacity of a bookkeeper for the said company.
3. The said company had offices at 243 Georgia Street and later at 467 Powell Street in the City of Vancouver.
4. The said company shared office space with Mr. Masataro Mukai at 243 Georgia Street and later at 467 Powell Street in the said City of Vancouver.
5. Mr. Mukai carried on business as an importer and exporter and I was well acquainted with his bookkeeper, one T. Takahashi, and with himself.
6. One Osamu Nakatshuru was also an employee of T. Matsuyama & Co.
7. I became aware through my discussions with Mr. Nakatshuru and with Mr. Kita that Mr. Mukai had ordered, paid for and had built for himself three vessels known as the Moresby No. 2, Moresby No. 3 and the George Bay and that Mr. Mukai was the beneficial owner of the said boats.
8. I am informed that the said boats were transferred at various times on the registered title to Mr. Ryotaro Kita who was a shareholder and secretary of T. Matsuyama & Co.
9. I know that at that time Mr. Mukai was in Japan from time to time and suffered from illness and I verily believe from what was said to me by Mr. Kita that the boats were transferred into his name because Mr. Mukai was away and ill, and that he never claimed to have any beneficial ownership in them but held them



merely as trustee.

10. I was also well acquainted with Mr. Kototaro Ota who worked for many years for Mr. Mukai in the said offices on Georgia Street and Powell Street in Vancouver, and I am informed that he was the licensed owner of the said boats.

11. I know that Mr. Ota was an employee of Mr. Mukai in his business and that he never claimed to have any beneficial interest in the said boats.

12. Mr. Ota was to my knowledge also a Canadian citizen.

13. I am also well acquainted with Mrs. Ota who is at present in Japan. I understand from her that her husband died some years ago and I have been shown the document in Japanese purporting to be signed by her. I have received other letters from her and I can identify the signature and the family seal as being hers.

DECLARED before me at the City  
of Toronto, in the County of York,  
this 29th day of October, A.D.  
1952

(signed) S. Nichi

?

A Commissioner, etc.

COPY/LL  
24/6/54



THE DISTRICT, LAND OFFICE, OREGON

SECTION 11

RECORDS OF THE DISTRICT

RECORDS OF THE DISTRICT

RECORDS OF THE DISTRICT

RECORDS OF THE DISTRICT

Dated: October 1, 1913



Dated    October, A.D. 1952

IN THE MATTER OF  
an Application by  
Masataro Mukai

---

STATUTORY DECLARATION OF  
SHOICHI NISHI

---

CAMERON, WELSON, BREWIN & MCCALLUM  
372 Bay Street, Toronto 1, Ontario.



May 20, 1954.

Mr. F. A. Brewin,

Dear Sir:

My husband, the late Mr. Ryūtarō Kita had been for a very long time, a good and close friend of Mr. Masatarō Mukai.

My late husband has registered under his name, fishing boats name Moresby No. 2, Moresby No. 3 and George Bay. The construction and cost were covered and paid for by Mr. Masatarō Mukai who is the true owner, and my late husband Mr. Kita has nothing to do with the three boats mentioned. This I have been told by my late husband while he was alive and this I know firmly to be true. He has mentioned this fact more than once to me while he was still alive.

Due to illness, Mr. Mukai went to Japan to recuperate and rest. It was at that time, that he changed and registered the ownership of these boats in the name of my late husband, Ryūtarō Kita.

The true ownership, therefore, because of the investment, financially or otherwise, is no one else than Mr. Masatarō Mukai.

Please do everything possible to help Mr. Mukai recover and receive the financial returns from the sale of these three boats. I definitely state at this time, that in no future date, will I ever seek claims for the financial returns of these boats nor will I ever change my mind regarding this matter.

(Translated into English from the  
Japanese original by Hope Handa).  
(signed Hope Handa).

(signed - Mrs. Maki Kita)

F.G. Shears



CANADA

DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTODIAN  
JAPANESE EVACUATION SECTION

PHONE PACIFIC 6131

PLEASE REFER TO

FILE NO. \_\_\_\_\_

508 ROYAL BANK BLDG.  
HASTINGS AND GRANVILLE  
VANCOUVER, B. C.

4615 West 9th Avenue  
Vancouver B.C.  
July 9th 1954

K.W. Wright Esq., Q.C.  
Chief Counsel  
Office of the Custodian,  
Victoria Building  
Ottawa

Re Masataro Mukai - Your File 56566

Dear Mr Wright,

I have been away at Chilliwack and Saskatoon in connection with Baptist Conventions!! I have before me your letter of June 25th re the above but I am now leaving for Roberts Creek where Mrs Shears has been staying with our daughter Olive.

Taking a cursory glance through your letter I think I will need to consult with Mr Fred. Field and peruse some of their reports. I have just 'phoned his office and find that he is away on holiday and not expected back until the middle of August. The matter in question goes back a number of years so perhaps you would not mind advising Mr Cameron of the above circumstances and let him know that the matter will be looked into as soon as it is possible to do so.

Just one point and you might drop me a short line in reply. We are holding proceeds in the name of Kotaro Ota. Ota was in Japan and you hold the funds as an enemy account. Mukai is claiming to be the beneficial owner but he also was in Japan. If his contention is admitted even if you changed the account would they not still remain enemy funds. In either case are these funds capable of being released? I have not been able to read the correspondence carefully and the answer may be there but a line from you regarding the disposition of funds hwd in the names of those who wer in Japan at the outbreak of war would be appreciated and perhaps put me on the right track.

I certainly hope that Mrs Wright and yourself are keeping well. Have you the dates of your holidays arranged and what are your plans.

Yours very truly,

F.G. Shears



**CANADA**  
**DEPARTMENT OF THE SECRETARY OF STATE**  
**OFFICE OF THE CUSTODIAN**

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTODIAN'S OFFICE

PLEASE REFER  
TO

FILE NO. .... 56566  
Legal Section  
RAH/McD

Victoria Building,  
7 O'Connor Street,  
Ottawa 4, Ontario.  
July 16th, 1954.


Re: Masataro Mukai.

Dear Mr. Shears:

Thank you for your letter of the 9th inst., and I am glad to hear that you will look into this matter as soon as possible. I am advising Mr. Cameron of that and, at the same time, telling him that you find it necessary to consult Mr. Fred. Field, who is at present away from Vancouver and not expected to return until the middle of August.

In reference to what you say as to the possibility of this being an enemy account, the position is that on October 15th, 1951, we released to Masataro Mukai the net proceeds from the sale of his house in Vancouver on the ground that he was a Canadian citizen and a British subject, having been naturalized in June, 1921.

Yours very truly,

  
K. W. Wright,  
Chairman, Administration  
Board and Chief Counsel.

F.G. Shears, Esq.,  
4615 West 9th Ave.,  
Vancouver, B.C.

was concerned. ~~Mrs. Kita~~ Mrs. Kita's letter says that her late husband told her that he had nothing to do with the three boats and the true owner was Mr Masataro Mukai. Mr Field would say that her late husband told him that he had nothing to do with the three boats and the true owner was Mr K.Ota. Mr Field can see no reason why Kita having disclaimed his own ownership to the boats should wrongly inform him as to the rightful beneficial ownership



Your File 56566

XXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXX

August 27th 1954.

K.W.Wright Esq., Q.C.  
Chief Counsel,  
Office of the Custodian  
Victoria Building  
Ottawa.

Re: Masataro Mukai

Dear Mr Wright,

Further to my letter of July 9th. I arranged an interview with Mr Field as soon as it was convenient after his return from holiday, and spent quite a time with him reading your correspondence and reviewing the matter as far as we could.

Your analysis of the Custodian Files and P.S.Ross Reports and correspondence clearly points out that right from the start the beneficial owner of the three vessels was considered to be K.Ota. You point out that the Mukai declaration refers to the fact that Ota was the licensed owner of the vessels and the reason for this. Mr Cameron's letter and his reference to an interview with Mr McMaster is also for the purpose of pointing out that the licensed owner might not of necessity be the actual owner. The inference from these references is that it is thought that the reason P.S.Ross considered Ota to be the beneficial owner of these boats was due to the fact that he had a license to fish them. We agree that this would have been a wrong premise but according to Mr Field this was not the basis or reason for considering Ota to have an interest in these boats. Mr Field was aware that Ota was the licensed owner but he was also aware that Kita was the registered owner. The question could be asked why did not Mr Field consider Kita to be the owner of these boats? Kita was the actual registered owner which on the face of it would create a stronger assumption of actual ownership than that of Ota who only had a license to fish the boats. The declaration of Nishi and that of Mrs Kita are to the effect that Mr Kita was not the real owner and Mr Field would not dispute this. Mr Field had many interviews with Mr Kita and Kita acknowledged to him that he was not the beneficial owner, so that on this point there is complete agreement. Now who was Mr Kita? He was a shareholder in the Matsuyama Company. He was the Secretary and Manager of the Company and according to Mr Field, as far as the operations of the company and a knowledge of all matters concerning it, he was the company itself. Mr Field had personal contacts with Mr Kita and discussed the companies affairs with him and relied upon the statement made by him and it was on the basis of information given to him by Kita himself that the beneficial ownership of the boats was established as far as Mr Field was concerned. ~~Mrs Kita~~ Mrs Kita's letter says that her late husband told her that he had nothing to do with the three boats and the true owner was Mr Masataro Mukai. Mr Field would say that her late husband told him that he had nothing to do with the three boats and the true owner was Mr K.Ota. Mr Field can see no reason why Kita having disclaimed his own ownership to the boats should wrongly inform him as to the rightful beneficial ownership



especially as Kita was so fully conversant with the whole set up of the Matsuyama operations.

The question might be raised as to whether any further enquiries might have been made at that time. Mr Field says that in view of Kita's position in the Company and Kita's own statement as the registered owner, he did not even consider it necessary to do so. Moreover in view of the fact that Ota was in Japan and that the proceeds would therefore be held as Enemy funds, Mr Field says he would not have been so vitally interested in proving ownership as might have been the case if moneys were to be paid out by him. Mr Field I believe would say that if the information given to him by Kita had been to the effect that Mukai (also in Japan) was the beneficial owner he can recall no reason why he would not have accepted that statement. The fact however is that according to Mr Field Mr Kita in a positive way indicated that K. Ota was the beneficial owner and was aware that Mr Field was acting upon this information.

You will realize that as far as our office was concerned we were, in this case, guided entirely by the advice and recommendations given to us by P.S. Röss & Sons. The basis of their recommendation seems to be the information given to them by Mr Kita.

If you feel that there is any other course of investigation that can be done at this end will you kindly advise,

Yours very truly,

F.G. Shears.



Personal

Dear Ken,

The same old Fred Field. When I left him ten days ago he said he would see if he could dig up anything further. But I have not heard from him and he is now out of town again.

If it is agreed that Kita has no interest in the funds held and you have a sufficient release by her letter of May 20th. it becomes a choice between Mukai and Ota. If Mukai's claim is recognized the Custodian would apparently release the funds to him on the ground he was a Canadian citizen & a British subject having been naturalized in 1921. If you continue to consider Ota as the beneficial owner would the funds be held or was his citizen status such that they could be released to his surviving wife? If this were so it would appear that the money would be released in any case and apparently Mrs Ota waives any claim. The only point in maintaining that Ota was the beneficial owner would be if on "enemy" grounds the money could be ~~per~~manently held.

What head aches you must have!!!



**CANADA**  
**DEPARTMENT OF THE SECRETARY OF STATE**  
OFFICE OF THE CUSTODIAN

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FILE NO. .... 56566  
Legal Section  
RAH/McD

Victoria Building,  
7 O'Connor Street,  
Ottawa 4, Ontario.  
August 30th, 1954.

Re: Masataro Mukai.

Dear Mr. Shears:

I acknowledge receipt of your letter of the 27th instant which I am holding pending Mr. Wright's return from holiday on September 7th.

I note that Mr. Field of P.S. Ross and Sons says that he was told by Kita that Kita had nothing to do with the three boats and that the true owner was K. Ota.

Yours very truly,



R. A. Hutchon,  
Solicitor.

F.G. Shears, Esq.,  
4615 West 9th Ave.,  
Vancouver, B.C.

Very sorry to hear that Mr Wright is absent through illness. I trust that it is not serious.

Kind regards to yourself,

Yours very truly,



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FILE NO.....

GGB/G

Victoria Building,  
7 O'Connor Street,  
Ottawa 4, Ontario.

September 10th, 1954.

F. G. Shears, Esq.,  
4615 West 9th Avenue,  
Vancouver, B.C.

Dear Mr. Shears:

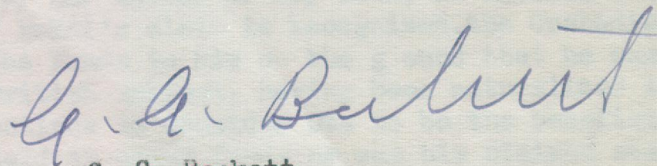
Re: Masatero Mukai.

I would refer to your letter of 27th August, 1954, with further reference to the above named.

Mr. Wright, who interviewed Mr. A. J. P. Cameron, Q.C., M.P., is absent through illness.

In order to get along with this matter it has occurred to the writer that we might disclose to Mr. Cameron the contents of your letter. Pending receipt of your reply we will not communicate further with Mr. Cameron.

Yours very truly,



G. G. Beckett,  
Acting Chairman, Administration Board  
and Associate Counsel.

Very sorry to hear that Mr Wright is absent through illness. I trust that it is not serious.

Kind regards to yourself,

Yours very truly,



XXXXXXXXXX

4615 West 9th Avenue  
Vancouver, B.C  
September 13th. 1954

G.G.Beckett Esq.,  
Office of the Custodian  
Victoria Building,  
Ottawa.

Re Masataro Mukai

Dear Mr Beckett,

Just received your letter of the 10th instant. You will appreciate that in this case we were entirely dependent upon the investigations and recommendations made to us by Mr Field, representing P.S.Ross & Sons. As my letter of August 27th indicates, the holding of the funds in the name of Ota is based upon information which Mr Field says was given to him by Mr Kita and on the assumption that Mr Kita was qualified to give this information and that there would appear to be no reason at that time why the information he gave should not have been correct.

I assume that Mr Cămeron is entitled to know the reason why the Custodian holds the funds in the name of Ota and I therefore see no particular reason why the contents of my letter should not be disclosed to him. In a personal note to Mr Wright I did say,-

"If it is agreed that Kita has no interest in the fundsheld (and you have a sufficient release by her letter of May 20th) it becomes a choice between Mukai and Ota. If Mukai's claim is recognized, the Custodian would apparently release the funds to him on the ground that he was a Canadian citizen and a British subject, having been naturalized in 1921. If you ~~consider~~ continue to consider Ota to be the beneficial owner would the funds be held as enemy funds or was his citizen status such that they could be released to his surviving wife? If this were so it would appear that the money would be released in any case, and apparently Mrs Ota waives any claim.

My point is that if the money cant be held as "enemy" funds but would be paid out either to Kita, Mukai or Ota you would not be greatly concerned to whom the money was paid, provided that you had proper releases from those you did not pay. The only reason we would have for endeavouring to maintain that Ota was the beneficial owner would I would think be if this would mean that the funds could be retained.

Very sorry to hear that Mr Wright is absent through illness. I trust that it is not serious.

Kind regards to yourself,

Yours very truly,



**CANADA**  
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**OFFICE OF THE CUSTODIAN**

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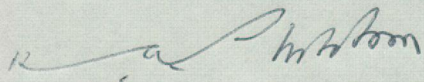
Victoria Building,  
7 O'Connor Street,  
Ottawa 4, Ontario,  
September 22, 1954.

Dear Mr. Shears:

Re: Masataro Mukai

I acknowledge with  
thanks receipt of your letter of the 13th  
instant to Mr. Beckett, and I am now  
conveying to Mr. Cameron the pertinent  
contents of your report of August 27th  
last.

Yours very truly,

  
R.A. Hutchon,  
Solicitor.

Mr. F.G. Shears,  
4615 West 9th Avenue,  
VANCOUVER, B.C.



HOUSE OF COMMONS  
CANADA

Ottawa, Ontario.  
March 31, 1954.

The Custodian's Office,  
Victoria Building,  
7 O'Connor Street,  
Ottawa 4, Ontario.

Attention - Mr. R. A. Hutchon -  
Legal Section

Dear Mr. Hutchon:

Re: Masataro Mukai

I am enclosing herewith certified extracts from the register of the office of the Registrar of Shipping, Vancouver, B.C., as of March 24, 1954 with regard to the ownership of the vessels George Bay and Moresby No. 3.

Mr. R. J. McMaster, of the legal firm of Campbell, Brazier, Fisher, McMaster and Johnson, 675 West Hastings Street, Vancouver B.C. was in my office last evening. I discussed with him the reference in the material to the effect that Kototaro Ota was the licensed owner of the three vessels that we are now dealing with. Mr. McMaster advised that in respect of vessels, under a certain tonnage - 10 tons or less - that there is what is known as a license issued to the owner. Such vessels are not kept on the shipping record.

You will note that the vessels in question are all registered and, further, there would be no need of obtaining a license by anyone as to ownership.

It is suggested that the difficulty in this question arises by reason of the fact that it is necessary for anyone engaging in the fishing industry to obtain a license to fish.

In view of the fact that Mr. Mukai was frequently in Japan, it would be necessary for the license to be issued to someone who was operating the vessels on his behalf.

In reviewing the material, and particularly the declaration of Mr. Nishi, it would appear that it was this type of license only that Ota held. If you agree with this theory it would appear to me that we need not consider further any claim by the late Mr. Ota or his estate in coming to a settlement.

With regard to Kita, it would appear that as he had been repatriated to Japan that his rights in the vessels were fully taken over by the Custodian, and that he would have no right to claim against the Custodian in any event.

I note in one of Mr. Brewin's letters to Mr. McMaster, dated January 29, 1951 he writes as follows:- "Mr. Kita reported to the Smith Committee and or to the Custodian that these vessels in his name had been committed to his care by, and were the property of Mr. Mukai"

I would be glad to discuss this matter with you at your convenience.

Yours sincerely,

(signed - A.F.P. Cameron, M.P.)

A. J. P. Cameron, M. P.,  
For Toronto-High Park.