Name of Claimant **Union Trading Co. Ltd.** Case **1396** **REJECTED**

Custodian File **4633 and Enemy 101**

REAL PROPERTY											Total
Greater Vancouver		Rural (except V.L.A.)			V.L.A. (except Mission Village)			V.L.A. Mission Village			
Sale Price	5% thereof & 12.50	Sale Price	10% thereof	Charges 12.50 & Comm.	Sale Price	Total Award 80% of all Sale Prices		Sale Price	Total Award 125% of all Sale Prices:		
						% of Total	Amount		% of Total	Amount	

PERSONAL PROPERTY								
Motor Vehicles		Boats and Boat Gear						
Sale Price	25% thereof	Sale Price	Nelson Bros. 23.5% of Sale Price	Other Sales 28.5% of Sale Price	Equipment charges paid to purchasers in error. Repay to owners	Amount of Claims for Boat Gear Declared & Not Found & Recorded Now Missing	45% of amount in next preceding column	

NETS						
Total award for Nets plus Sale Price	Total Claim for Nets Sold, Declared Not Found and Recorded Now Missing	Percentage Total Award to Total Claim	Claim for Nets Sold Declared Not Found, & Recorded Now Missing	Apply % ratio to Claim	Deduct Custodian Sale Price	

MISCELLANEOUS CHATTELS								
Claim for goods Sold By Auction	Sale Price of Goods Sold By Auction	Rebates of charges 30% of Sale Price	Ratio in % of Sale Price to Claim	Claim for goods Declared Not Found, Recorded Now Missing, & Sold Not Paid	Application of % ratio to amount in next preceding column	Sale Price of goods Sold by Tender	12% of Sale Price	

TOTAL RECOMMENDATION	

CASE NO: 1396.

JAPANESE PROPERTY CLAIMS COMMISSION

Vancouver, B. C.,
June 2nd, 1949.

INTHE MATTER OF THE CLAIMOF
UNION TRADING COMPANY LIMITED.

PROCEEDINGS
AT HEARING.

Original.

IN THE MATTER OF THE "INQUIRIES ACT"

PART 1, REVISED STATUTES OF CANADA 1927, CHAPTER 99.

JAPANESE PROPERTY CLAIMS COMMISSION

B E F O R E

(THE HONOURABLE MR. JUSTICE H.I. BIRD, COMMISSIONER).

Vancouver, B. C.,

June 2nd, 1949.

IN THE MATTER OF THE CLAIM OF

UNION TRADING COMPANY LIMITED.

PROCEEDINGS AT HEARING.

APPEARANCES:

D.T.B. BRAIDWOOD, Esq.,	appearing for the Dominion Government.
W.C. THOMSON, Esq.,	appearing for the Claimant.

A. W. WATSON, Esq.,	Secretary.
MRS. E. BLYGH,	Official Reporter.

MR. BRAIDWOOD: My lord, this morning we have the Union Trading Company claim. This is one of the corporation claims, with which your Lordship is familiar.

THE COMMISSIONER: Yes, I remember it.

MR. BRAIDWOOD: My friend, Mr. Thomson, is here this morning, and is prepared to advance evidence to your Lordship.

I might say my learned friend and I have discussed this matter and the main part of the claim is for charter money, with which your Lordship is familiar in the past, and you have made rulings on it.

I have told my friend as far as the Crown's position is concerned with regard to these claims, the Crown takes the position that these charter moneys are outside the terms of reference. However, I understand your Lordship wishes to have my friend lead his evidence concerning that, so that you may be familiar with the actual facts of the charter concerned, and I think my learned friend is also going to bring some evidence as to charter moneys generally. I am not concerned in that, but anyway the Crown is not prepared to admit these claims, insofar as they affect charter money, are within the terms of reference. However I understand your Lordship wishes to have that evidence before you, in any event, and I am prepared to ask my learned friend to go ahead and

introduce his evidence under those conditions.

THE COMMISSIONER: Well the charter money feature is identical with the claims raised in other claims, ism it?

MR. BRAIDWOOD: There are a number of these cases. Your Lordship will remember Mr. McMaster had some, too, and one or two are listed with your Lordship for a later date, and I don't know whether my friend has discussed the matter with Mr. McMaster and whether they are making the general terms, but anyway it comes within the joint category on the same basis which my friend claims was a promise of payment, and others where there was no spedific promise of payment, and my friend is asking compensation for the use of those vessels.

I will have another point to advance and which perhaps I should advance to my friend now, so he may answer it if he sees fit, but if your Lordship does not hold with me that these matters are outside the terms of reference, then I would take the position the purchase price of the vessels when purchased was with the view that any loss the owners might suffer would be included in the purchase price.

THE COMMISSIONER: You contend notwithstanding the non-payment of the charter rate that the claimant has been adequately and fairly paid, is that the position?

MR. BRAIDWOOD: Well I would take that position if your Lordship holds them to be within the terms of reference, yes.

THE COURT: Have you got the file there, Mr. Secretary? All right, I will hear you now, Mr. Thomson.

MR. BRAIDWOOD: I might say my position could be fairly summarised by this statement: The Crown contends the payment to the claimant for the amount of the boat represents an adequatepayment taking into consideration all the facts.

THE SECRETARY: That is Union claim, No. 1396.

THE COMMISSIONER: Yes. All right, Mr. Thomson.

MR. THOMSON: Dealing with my learned friend's last remark that the purchase price of the boats included compensation for the charter hire, now I do not know of any evidence, or any documents, or agreements made between the parties dealing with that matter. I think it would be right for me to say, my lord, that if there was any document or agreement made at the time the prices were fixed and bills of sale given and we agreed that the price of the boat would include the charter hire, I do not think there is any need of me going any further, but I do not know of any arrangement and I wonder if my learned friend has any evidence of that.

THE COMMISSIONER: Do you contend there is not any agreement to ~~include~~ pay charter hire?

MR. BRAIDWOOD: No, I do not go that far. I say the

bills of sale,-- insofar as the parties are concerned, being dated to the date of requisitioning--

THE COMMISSIONER: Well now, wait a moment. There are two forms of charter, are there? NOT? As I understand it in the other case, the original requisition was a requisition for charter, and then further there was a requisition for purchase. Am I right in that?

MR. THOMSON: My claims Nos. 8 and 9 on the "Barclay Sound" and "Westerly Maid" -- I am proceeding on a telegram ordering us to deliver these boats that were requisitioned for charter and the charter hire will be agreed on later.

THE COMMISSIONER: Perhaps we had better let you go ahead and have the evidence come out and if you wish to take a different position in relation to the one claim than you do with the other, I will hear you on it.

MR. BRAIDWOOD: I pointed out at the outset my learned friend will be leading evidence as to an alleged commitment by the Crown, and in the other cases he won't do that -- that is the evidence will vary as these cases arise.

THE COMMISSIONER: Well, we will meet those difficulties when they come. Now, what do you claim, Mr. Thomson --that the claim for charter hire is included in the reference?

MR. THOMSON: Well I claim a claim for charter hire under items 8 and 9 where the Director of Marine

Services requisitioned these boats and agrees to pay charter hire, he sets up there, I would say, something in the nature of a chosen action or a claim for compensation. The property is turned over to him on that basis and we don't get payment. Now, he uses our property upon the understanding that we are to be paid for it.

THE COMMISSIONER: Well you understand the limits of my jurisdiction, do you not?

MR. THOMSON: Yes, I do, my lord. I appreciate the limits, but in the event that it does not come within the very meaning of the Commission, my understanding is that your Lordship has the power to hear these claims and to make a recommendation that these claims be paid.

THE COMMISSIONER: Have you a copy of the terms of reference, Mr. Braidwood?

MR. BRAIDWOOD: I have the various Orders in Council here, my lord.

MR. THOMSON: I have them all here, my lord, as to the terms of reference, and I had one that disappeared when I was ill.

THE COMMISSIONER: Well, I am quite familiar with them but I just wanted to mention -- if you will refer to Order-in-Council P.C. 3737 --

MR. THOMSON: No, I haven't got it.

THE COMMISSIONER: Broadly speaking, the investigation which I am directed to undertake relates under paragraph 1 (a) to claims in respect of real and

personal property vested in the Custodian having been disposed of by him for less than the fair market value; and under 1 (b) claims in connection with personal property, and that would take in -- a vessel is personal property, isn't it?

MR. THOMSON: Yes.

THE COMMISSIONER: Vested in the Custodian which was lost, destroyed or stolen, so the extent of my jurisdiction, subject to what counsel may say, is to determine whether on the sale of these vessels the fair market value was received.

Does that not exclude any investigation into the question of whether you have a claim against the Government for non-payment of charter money?

MR. THOMSON: My lord, on the statement as your Lordship has read it, it would appear that this case, items 8 and 9, would come within it and the other two charter cases would not come within it.

THE COMMISSIONER: I would just like to get that clear. It appears to me that is the situation, but if you contend to the contrary, I would like to hear what your argument is on the subject.

This may assist you -- whether or not such claims as these are within the terms of reference -- I propose to hear evidence and I have now been authorized to make a report -- not that the terms of reference are being widened at all, but I have been authorized to make a report on matters that I consider appropriate to do so, so perhaps it is

academic to discuss this question of whether these claims come within the terms of reference.

MR. THOMSON: Well, to be quite frank, my lord, I do not think these particular cases come within the terms of reference.

THE COMMISSIONER: Well we will start with that. I entirely agree.

MR. THOMSON: I cannot bring these boats or chattels into the category of chattels which have come into the possession or under the control of the Custodian.

THE COMMISSIONER: Am I correct to say you concede that claims for charter hire do not fall within the terms of reference?

MR. THOMSON: Yes, my lord.

THE COMMISSIONER: All right, proceed.

MR. THOMSON: Now, my lord, I think that this claim had best be dealt with by dividing it into two categories, one dealing with charter hire and the other dealing with the loss of this personal property -- items of personal property--equipment--that were on these boats.

And dealing with the charter hire, my lord, I wish to deal with items 8 and 9 first, because those items -- the claim is based upon a telegram from the Director of Marine Services.

THE COMMISSIONER: Well now, which vessel is that?

MR. THOMSON: That is the "Barkley Sound" and "Western Maid".

THE COMMISSIONER: 8 is the vessel "Barkley Sound", and

9 is the vessel --?

MR. THOMSON: -- "Western Maid", and the claim is under itmms (h) and (i), my lord.

Now, my lord, I might point out at the outset to your Lordship some of the difficulties I will be encountering in presenting this evidence. The Union Trading Company is a British Columbia corporation and at the tim in question here the directors and shareholders were Mrs. T. Nakamoto, Mr. T. Nakamoto, and one Andrew Smith. Andrew Smith was the bookkeeper and manager in the absence of Mr. Nakamoto, and Mr. Smith unfortunately, my lord, died on the 23rd of August, 1943, in Vancouver.

THE COMMISSIONER: Had he a financial interest in the shares of these ships, or was he simply trustee for the Japanese?

MR. THOMSON: No, he was a shareholder in the company. He had ten shares. He held minority shares.

THE COMMISSIONER: And he held them beneficially and not as trustee for someone else?

MR. THOMSON: He held them for himself beneficially, but a great deal of the dealings with regard to these boats was done by Mr. Smith, and some by myself as solicitor for the company at that time. And the only evidence, my lord, that I can offer is the evidence as to the value of the charter hire of these boats at the time, and the evidence of Mr. Nakamoto, whom is here, and certain correspon-

dence between the Department and the company and between the Department and myself.

THE COMMISSIONER: Supposing we start with the requisition.

MR. THOMSON: Yes, my lord, I will file a copy of a telegram of December 31st, 1941, from the Director of Marine Services to Union Trading Company, Limited. I will file a copy of that, if I may.

(TELEGRAM MARKED EXHIBIT NO. 1).

THE COMMISSIONER: You are content that the copy should be substituted for the original?

MR. THOMSON: I will file the original.

MR. BRAIDWOOD: I am perfectly agreeable.

THE COMMISSIONER: If you are content, I am.

MR. THOMSON: And this telegram reads (reading Exhibit No. 1).

Now, your Lordship will notice that that telegram is dated December 31st, 1941, but at that time the vessels had already been taken over by the Navy and I think there will be evidence in the correspondence to show that it was on December 9th, 1941, that they were taken over by the Navy and used.

THE COMMISSIONER: Well, there was an Order, as I recall it, requiring persons of the Japanese race to surrender their vessels to the Navy, and that I take it was done on the 9th, was it?

MR. THOMSON: On the 9th, yes.

THE COMMISSIONER: And where was the delivery made?

MR. THOMSON: Well these boats, my lord, were all on

charter and they just took them from the fishing grounds in which they were operating.

THE COMMISSIONER: I see.

MR. THOMSON: I might say the most of these boats were chartered to Nelson Brothers and of course Nelson Brothers had their own crews, and they just chartered their boats, and the Navy stepped in and took these boats for the purposes of the Navy. That was on December 9th, 1941.

Now, My lord, Mr. McPherson delivered to me copies of a summary taken from the vessels' records in these particular cases, and those summaries (a copy of which I have in my brief), which were delivered to me by Mr. McPherson, would indicate that the date on which the vessels were finally sold was the 26th of August, 1942.

THE COMMISSIONER: Does Mr. Braidwood concede the vessels were surrendered to the Director of Marine Services on the 9th of December?

MR BRAIDWOOD: Yes, my lord. If I might break in on my friend for a moment, Mr. McPhee has just come in and he is here representing Mr. Johnson of New Westminster, and my learned friend Mr. Thomson will be quite some time on these cases-- I believe the balance of the morning, and if you would hear Mr. McPhee now.

THE COMMISSIONER: Yes.

(PROCEEDINGS THEREUPON ADJOURNED)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. BRAIDWOOD: I apologize to my friend for interrupting him.

MR.THOMSON: My lord, I was dealingwith the dates on which the boats were purchased, and the bills of sale made out, and that is also fixed by the summary taken from the vessel on the 26th of August, 1942.

Now, my lord, I will put in some correspondence which will show the bills of sale were first made out as requested by the Department -- I think it was the Canadian Navy and then they later discovered that that was the wrong purchaser and new bills of sale were delivered to us and we signed them. Actually, my lord, we did not get payment for these boats until some time in December, '42. I will read some correspondence on that, my lord.

THE COMMISSIONER: What are the dates of the bills of sale?

MR. THOMSON: I haven't got them, my lord. It is impossible to get these in the Registry Office because they don't keep them there.

THE COMMISSIONER: You haven't any information on the subject, Mr. Braidwood?

MR. BRAIDWOOD: No, my lord, we have provided my friend with all the material we have.

MR. THOMSON: You see, my lord, in the shipping cases they don't keep these bills of sale and copies in the Registry but I may later be able to fix that

date today but I had correspondence with them as late as November of 1942 requesting them to expedite payment.

THE COMMISSIONER: I see. Well, perhaps you had better read your correspondence and this correspondence will be marked as an exhibit. It need not be transcribed.

MR. THOMSON: I wonder if your Lordship would permit me to call Mr. Clark of Nelson Brothers, because this is his busy season and he is anxious to get away.

THE COMMISSIONER: Yes.

MR. THOMSON: I will call Mr. John Clark.

JOHN A. CLARK, a witness called on behalf of the claimant, being first duly sworn, testified as follows:

DIRECT EXAMINATION BY MR. THOMSON:

Q You are John A. Clark?

A Yes, sir.

Q And what is your occupation, Mr. Clark?

A I am production manager for Nelson Brothers Fisheries.

Q Now, in 1941, in December, what was your position?

A Production manager of the same firm.

Q And do you have to do with the hiring of boats; and ~~arranging~~ agreeing on the charters of boats?

A I look after all chartering of boats.

Q And you did at that time? A: That is

right.

Q Now, do you know the boat the "Barkley Sound"? Do you know the boat "Barkely Sound"?

A Yes, I do.

Q And did Nelson Brothers ever charter that boat?

A Yes, sir, ever since she was built, I think we had her under charter.

Q Yes. And would that be down to September 15th, 1941? A: To which date?

Q September 15th, 1941.

A From memory I would say yes, she would be chartered then.

Q Now, what would you say would be a fair charter rate, Mr. Clark, for the "Barkley Sound" at that time?

A Well, I looked up our records--that is some 7 years ago, and I could not find any charter party but I found the ledger where this boat was paid $20.00 per day, bare boat.

THE COMMISSIONER: Q: For how long had that rate applied to that vessel?

A This is during the fishing season. This is going back some time and I am just going on my memory -- now, that would be from the middle of June or the 1st of July to the end of the fishing season.

MR. THOMSON: Q: And the fishing season would end when?

A When we employed them on salmon they ended about November 15th and sometimes these boats

were employed also on herring which ran right through up to March of the following year, and I cannot say whether these boats were chartered on herring but I think they were.

Q Now when you say "bare boat", you mean -- ?

A A boat with no crew supplied.

Q And in this case you supplied the crew?

A Yes, sir.

Q Now, in the case of the "Western Maid", do you remember that boat?

A Yes, sir.

Q She was also chartered by Nelson Brothers Fisheries Limited?

A She had been chartered ever since she was built, by Nelson Brothers, up to that time.

Q And what was the rate of charter hire?

A $17.00 per day bare boat.

Q And would that be over the same period as the "Barkley Sound"?

A She was employed in salmon only, I think. She was not big enough -- she may have been used for herring and towing -- I am not definite. I shall have to look that up, but definitely during the salmon season.

Q Mr. Clark, I have in front of me here a record submitted to me -- submitted to the Committee on charters and you will notice the information that is supplied there. I will file this, my lord. The "Western Maid", July 12th to November

11th, 1941, under charter to Nelson Brothers Limited at $17.00 per day, and the "Barkley Sound" from July 12th to September 15th, 1941, at $21.00 per day.

A That would be correct. That would cover it, the rate.

THE COMMISSIONER: There is no need for your filing it. I do not presume that Government counsel is questioning the earlier charter rate.

MR. BRAIDWOOD: No, my lord.

MR. THOMSON: Q: Now, do you know the vessel, the "B.C. Pride"?

A Yes.

Q How does she compare in size with the other two boats?

A She is a larger boat than any of them, I think, if I go by memory I would say she is a bigger boat, and we used to employ her for pilchard fishing, which requires a larger boat.

Q And she was also under charter to Nelson Brothers--

A Yes.

Q --during that period?

A Well, she was chartered for a longer season, I think, than any of them. She was chartered for the pilchard and herring season.

Q Could you give her rate of charter hire?

A Judging from memory, for a long charter, $25.00 a day and maybe more. You see, that is a long way back and I could tell you the charter rate

today.

Q The charter rate today is very much higher?

A That is right.

Q Would you say $20.00 a day is a fair rate of pay?

A Yes.

Q Do you know the "Marmae"?

A Yes, she was also used by our company.

Q And how does she compare with the "Barkley Sound" and the "Western Maid" and the "B. C. Pride"?

A She compares favourably with the "B.C. Pride", only she is a packer and not a seine boat.

Q What would be the hire rate of her during 1941 and '42?

A $25.00 a day. She was also a herring and fish tender.

THE COMMISSIONER: They were both larger vessels than the "Barkley Sound" and "Western Maid", were they?

A Definitely, yes.

MR.THOMSON:Q : Now, Mr. Clark, Nelson Brothers later ¼ bought the "Marmae"?

A Yes.

Q And the "B.C. Pride"?

A That is right.

Q Now in the case of the "B. C. Pride" and the "Marmae" and the "Barkley Sound" and the "Western Maid", were these boats taken over by the Navy from you people -- from Nelson Fisheries? Did they seize them?

A I couldn't say. The "Marmae" and "B.C. Pride"

could not have been seized because we own them now.

Q You purchased them?

A Yes, I would have to look them up -- I couldn't say from memory.

MR.BRAIDWOOD: No questions.

THE COMMISSIONER: Just one moment, Mr. Clark, there is some information I would like to have. I have been told that on the 9th of December of 1941, some Department of the Government -- of the Federal Government, took physical possession of these vessels. Now, are you aware of that?

A They took, as far as I remember, physical possession of everything of Japanese origin.

Q Well did they deprive you of the physical possession of them at the time you had them under charter in the middle of December, 1941?

A Of these two -- the "Marmae" and "B.C. Pride", I could not say. The only one I can remember is the "Charmey Bay".

Q You can not say?

A No.

Q It is a long time ago? A: Yes.

Q Now the charter rates that you have mentioned, are those the rates peculiar to the fishing season?

A Just for the fishing season, do you mean?

Q Well, are the rates higher in the fishing season than they would be at another time for those vessels?

A Well, in our business naturally we only use them

in the fishing season and we don't charter them any other season.

Q Well, supposing someone else were chartering them after the fishing season was over; what would be your opinion of a fair charter rate?

A I think that is a fair charter rate.

MR. THOMSON: I wonder if I could ask Mr. Clark one more question.

Q Do you think you would have any record as to whether the Navy, or some Government department, did take these boats over?

A I may have some.

Q Do you think Mr. Newton would have?

A He may have a letter. We would have to dig into our vault for that.

MR. THOMSON: May I reserve that for later, my lord?

THE COMMISSIONER: Yes. Just before Mr. Clark goes. No claim is made here for any sale at less than the fair market value, is there?

MR. THOMSON: No.

THE COMMISSIONER: All right, thank you.

(Witness aside)

MR. THOMSON: On that point, my lord, I don't think that after we submitted evidence to the committee on what we considered the value to be, -- I think there is very little difference between the amount that was allowed for the claim --

THE COMMISSIONER: Well, all I was doing was seeking information as to whether any claim was made.

You say there is not, and that ends it.

MR. BRAIDWOOD: There is a chattel claim, of course, my lord.

THE COMMISSIONER: Yes, I appreciate that.

MR. THOMSON: I am just dealing with the charter now. Now, my lord, I would like to put in a letter --

THE COMMISSIONER: Would it be convenient for you to put in all this correspondence as one exhibit? Does it all relate to the same thing?

MR. THOMSON: Yes, this correspondence all relates to the charter.

THE COMMISSIONER: It does.

MR. THOMSON: Yes.

THE COMMISSIONER: Then if you will just read it to me it need not be transcribed.

MR. THOMSON: The Reporter might make one or two notes on it because there are some points in these letters that do not apply to this, and I would point out a paragraph. January 15th, 1942, aletter from myself to theDirector of Marine Services in re Union Trading Company.

THE COMMISSIONER: Perhaps it would be convenient for you simply to mark the paragraphs in the letters that you wish to have special attention -- and then there is no need for the Reporter to concern herself with it. I take it you admit the authenticity of these letters and copies of letters, Mr. Braidwood?

MR. BRAIDWOOD: Yes, in many instances they are Mr. Thomson's own letters, and in other cases they are letters --

THE COMMISSIONER: Well you are putting those documents in as exhibits now, are you?

MR THOMSON: Yes.

THE COMMISSIONER: They will be Exhibit 2.

(FILE OF CORRESPONDENCE MARKED EXHIBIT NO. 2)

MR. THOMSON: Now, my lord, -- t

THE COMMISSIONER: Well, just before you leave that last subject matter. Is there anything in the material that you have which indicates whether the Disposal Committee paid that $300.00 repair bill?

MR. THOMSON: No, I have no evidence of that, and I doubt very much if they would pay it.

THE COMMISSIONER: I don't think they had any public funds to disburse.

MR.BRAIDWOOD: According to the material in my file, -- I guess it still stands at the request of Mr. Johnson to pay the $300.00.

MR. THOMSON: Yes, there were a lot of other little letters but I did not bother, or want to clutter up the record--from the Department in Toronto, reminding us that this $300.00 had not been paid, and we just took the position it was under the charter hire.

THE COMMISSIONER: What was running in my mind, this liability was incurred by some Government Depart-

ment and a recommendation should be made for the charter hire and then it would be appropriate to deduct the amount of $300.00 from that total amount of the recommendation.

MR. THOMSON: Oh yes.

THE COMMISSIONER: Presumably it has been absorbed by some Government Department.

MR. THOMSON: They are still holding it as a claim against this.

THE COMMISSIONER: All right.

MR. THOMSON: I think, my lord, if the Department had been of the opinion that we owed it over and above the charter, they would have taken it out of the price of the vessel beforethey paid us, but I think it is conceded that it is payable out of the charter.

THE COMMISSIONER: It would be rather rubbing it in to have you pay for these repairs so that they could have a seaworthy vessel and then deny the payment of this.

MR. THOMSON: I might point out when the Navy requisitioned these boats, there were certain repairs we had to do on all of them, and that is why we asked them to release the "Olympia II" because she was in such a deplorable condition it would have cost so much to repair her.

Now, my lord, I have Mr. Nakamoto here, and I wonder if your Lordship would prefer that I should deal with his evidence on the charter now,

and then on the other later.

THE COMMISSIONER: Just as you wish, as long as you keep the two apart. You might dispose of the two phases of the claim through him. Once you call him, go through everything he has to say.

MR. THOMSON: Well, my lord, I would now like to deal with these items of the chattels which were taken off the boats, and they are contained in items 1, 2, 3, and 4.

My lord, I have talked with Mr. Nakamoto about this claim on the chattels and he has instructed me to withdraw Schedule "B" and "C" and "D",and rest our claim just on Schedules "A" and "E".

Your Lordship will notice that Schedules "B", "C" and "D" consist of tools and galley equipment. Now there is no doubt about it that these were on the boat at the time they were lost or stolen, but in talking it over with him he felt that the claims under "B" and "C" possibly wouldbe eqipment that would go with the boat ordinarily like wrenches, and stuff of that kind-- tools, and the galley claim in "D" was small and possibly some part of it should go out, although they only bought the boat -- bare boat, and we feel possibly that that would be the fair thing to withdraw those things.

THE COMMISSIONER: Well, that is a very fair attitude to adopt. You wish to abandon "B", "C" and "D" then?

MR. THOMSON: Yes. Now, with regard to Schedules "A" and "E" -- the "A" claim is for wire rope that was taken and used by the Navy, and a claim was made for it and a lot of negotiations were had about it, and evidence will go in on that point.

The item "E" is a towline on the "Western Chief". The "Western Chief" was chartered -- it was under charter by us --but the towline belonged to us.

THE COMMISSIONER: Well, subject to these two claims, Mr. Braidwood, are you questioning the fact that these articles were aboard the vessel at the time of the requisitioning for hire?

MR. BRAIDWOOD: No, I don't think so, my lord. The position I must take in this, in view of my instructions, of course, that these matters never came into the hands of the Custodian -- they were on the boat or went to the Navy or they were disposed of when the vessel was disposed of.

THE COMMISSIONER: Yes, I understand. But under the circumstances, as I do propose to make a recommendation, so far as I am concerned, I am content that Mr. Thomson's witness should be called simply to verify the fact these articles were aboard the vessel at the time of charter.

MR. BRAIDWOOD: Well, in view of your Lordship's statement, I don't wish to cross-examinat on those issues.

THE COMMISSIONER: Well, if there is any question about

it you might do so, subject to the position you originally took, ~~and~~ that these matters do not fall within the terms of reference at all.

MR. BRAIDWOOD: Well, that is true. As far as the physical existence of the items are concerned, I have no evidence to offer on it and no instructions.

THE COMMISSIONER: Well that will relieve you to some extent, Mr. Thomson, if you just ~~x~~verify the fact that these articles were on the vessels at the time they were taken over, and you can state the value.

MR. THOMSON: Well, my lord, I probably could shorten this thing down if I made a statement as to what transpired between myself and the department.

THE COMMISSIONER: It would be helpful to me ~~and~~ so it is a matter of record.

MR. THOMSON: It is all borne out by this correspondence but I could make a short statement of what transpired, and just file the correspondence as it is.

THE COMMISSIONER: Very well, you might do that.

MR. THOMSON: My lord, acting on behalf of the Union Trading Company, commencing on December 17th, 1941, and continuing down to December 12th, 1942, I had instructions to take up this matter of lost equipment, including the items which I have withdrawn, with the various government authorities, and pursuant to those instructions

I interviewed and corresponded with the commanding officer of the Navy at Esquimalt, and the commanding officer Givincky and Commander Smith of the Navy, in the Marine Building, and Commander Murphy, who I think was advising the disposal committee, and I was under a great deal of difficulty getting contact with a person who would actually deal with it, and who would assume the authority of dealing with these items.

I was also referred by the Navy to the Custodian, and discussed the matter with him, but they all seemed to take the position that itdid not come within their jurisdiction.

Commander Smith -- no, Captain Smith, I went over to see him in the Marine Building and he took me to see Commander Smith of the Navy and we discussed the matter and Captain Smith did not object to these two items, but he did say that he thoughtthe question of the wrenches and the tools and the galley equipment was something he could not deal with and he did not care to deal with it, but if we would withdraw those items and not claim for them, he would recommend the two items on the cable and the towline, but I did not get payment for it and I kept after them. And then he seemed to have been deprived of his authority, or something happened to his position, and I got after the various authorities but I didn't get the payment.

Now, I will put in this correspondence and your Lordship will see in here that Mr. Smith, acting on behalf of the Union Trading Company, filed claims right at the outset for these two items, and explained the circumstances, and in this correspondence Mr. Smith refers to the fact that he, acting on behalf of the Union Trading Company, had inspected these boats prior to their being taken over and had also inspected them after the seizure, and that letter is dated January 24th, 1942, and it is rather an important letter and I might read it (reading same).

THE COMMISSIONER: What is the date of the letter?

MR. THOMSON: January 24th, 1942. This is to the Naval Control service. And then he has another letter of January 29th dealing with the towline and also a letter dealing with the cable. The letter dealing with the cable is January 20th. I will read it. (Reading same).

Now, my lord, I will file this correspondence. That is the next exhibit dealing with the chattels, my lord.

(FILE OF CORRESPONDENCE MARKED EXHIBIT NO. 3)

MR. THOMSON: Now, My lord, I will call Mr. Nakamotox.

THE COMMISSIONER: Is he likely to take any length of time?

MR. THOMSON: Yes, he will be quite a little while, my lord.

THE COMMISSIONER: In that case we might as well recess

for a short period.

(PROCEEDINGS RESUMED AFTER SHORT RECESS)

THE COMMISSIONER: Yes, Mr. Thomson.

MR. THOMSON: Well, my lord, I will now call Mr. Nakamoto.

THE COMMISSIONER: Well you had also better swear the Interpreter. Mr. Nakamoto does not speak English, I suppose?

MR. THOMSON: I think he can get along very well in English. I can understand him.

THE COMMISSIONER: Well I should be able to by now. However, swear the Interpreter.

(D.J. Handford, sworn as Interpreter).

TOYOJNIA NAKAMOTO, the claimant herein, being first duly sworn, testified as follows:

DIRECT EXAMINATION BY MR. THOMSON:

Q Mr. Nakamoto, just speak slowly and distinctly. You live at Celista, B.C.?

A Yes.

Q And when were you evacuated from Vancouver?

A 27th of March, 1942.

Q 27th of March, 1942. And at that time you were and you still are, a director of the Union Trading Company Limited? A: Yes.

Q And your wife was the other director and shareholder? A: Yes.

Q And Mr. Andrew Smith -- A: Yes.

Q -- was the other shareholder and director?

A Yes.

Q And Mr. Smith was the bookkeeper?

A Yes.

Q And did he look after the commercial business end of the company? A: Yes.

Q And after you went away he looked after the affairs of the company?

A Yes.

Q And I acted as solicitor? A: Yes.

THE COMMISSIONER: What are the share holdings?

MR. THOMSON: It is 10,000 shares and Mr. Smith has ten.

Q Is that right? A: Yes.

Q And Mr. Nakamoto I think has two?

A Yes.

Q And Mrs. Nakamoto has the rest, I think, my lord. I have the company's records and I can get that.

THE COMMISSIONER: That is sufficient, but you are not questioning the fact, Mr. Braidwood, that this is a substantially Japanese-owned corporation?

MR. BRAIDWOOD: Oh, that is right, my lord. That is thoroughly correct from my information, and the witness' wife, I understand, is the chief shareholder and the witness has also a share holding.

MR. THOMSON: Now, this company, in December of 1941, Mr. Nakamoto, had five boats, did it?

A Yes.

Q And they were the "Marmae", the "B.C. Pride", the "Barkley Sound", the "Western Maid" and the "Olympia II"?

A Yes.

Q Now claim has been made on behalf of the company, Mr. Nakamoto, with regard to certain chattels, namely equipment consisting of 1500 feet of wire rope and towline on the "Western Chief"; is that right?

A Yes.

Q Now there has been a claim with regard to other chattels like tools and galley equipment and you have instructed that they should be withdrawn, is that right? A: Yes.

Q Items "B", "C" and "D", and was that because you felt that possibly the claim was -- well, the value of these items might be included in the sale price of the boat?

A Yes.

Q Now, do you remember this 1500 feet of wire rope that you are claiming for under item "A"? Do you remember that? A: Yes.

Q What boat was that on?

A That was on the "Barkley Sonnd".

Q It was on the "Barkley Sound"?

A Yes, sir.

Q And what was this wire rope used for on the "Barkley Sound"?

A It was used for a post line.

Q For seining equipment?

A Yes.

Q Now, do you remember when the "Barkley Sound" was seized by the Navy? Do you remember that occasion?

T. Nakamoto,
In Chief.

A November 9th, I think.

Q Of 1941? A: Yes.

Q Now was this 1500 feet of wire rope on board the "Barkley Sound" at that time?

A Yes.

Q You know that yourself?

A Yes, I know.

Q Where was the "Barkley Sound" when the Navy picked her up, do you remember?

A At Steveston.

Q At Steveston? A: Yes.

Q Now, did you keep a good inspection on your boats yourself, Mr. Nakamoto?

A Yes, Mr. Henry Smith did.

Q Now, at that time you were also interested in the Union Boat Works?

A Yes.

Q You and Mr. Smith? A: Yes.

Q And you had a boat yard down here and a repair yard? A: Yes.

Q And you did your own repairs?

A Yes.

Q Now do you know what became of this 1500 feet of wire rope? A: Well, same day after we heard many rumour of Japanese boats -- all Japanese boats broken and losing the stuff --

Q Yes. A: So I told Smith to go and look at boats, so he went, and he found the door open and cables gone and so many

things missing.

Q Now, do you remember when he put in the claim for this cable?

A No, I don't remember the date.

Q No, but you remember a claim was put in?

A Yes.

Q Now, after the claim was put in, did somebody from the Government come to your place of business?

A Yes.

Q And did they have a talk with Mr. Smith and you?

A Yes.

Q Now, who was that, do you remember?

A No, I don't remember but I know he had a navy uniform on --

Q Yes. A: -- and he wore glasses, and he told me hard to get a check from Ottawa to pay for this cable. We have large lot of cable on stock and we would rather replace with our own stock to you, and we say, "We are forced out of business -- fishing business".

Q You are forced out of fishing business?

A Yes, --"and cable not much use to us now. You take your time and we would rather have cash", that is what we said.

Q Well, did you ever get payment for this cable?

A No, we never did.

Q Now, the price you are asking for the cable -- 1500 feet of 5/8ths by 6/24 galvanized cable, $292.50 -- is that a fair price?

A Yes, that was a fair price at that time.

Q And then you are charging for one - 5/8 inch galvanized anchor shackle, 80 cents, and one wire rope patent swivel, $4.00, and 3 splices and hearts, $5.00. Would that be a fair price? A: Yes.

Q And the total is $302.30?

A Yes.

Q Now, Mr. Nakamoto, do you remember the date that Mr. Smith died? A: No.

Q It would be about August 23rd, 1943, would it not?

A Some date about August, 1943.

Q I have taken that date, my lord, from the records. Now, in dealing with the towline on the "Western Chief" the claim is one coil, 65 fathoms, 1½ inches P.M. Rope, $42.33; and 1 coil 65 fathoms, 1½ inch P.M. Rope, $59.67; and the total is $102.00. Did you own the "Western Chief"?

A No.

Q Was she under charter?-- A: Yes.

Q -- to the Union Trading Company?

A Yes.

Q Now, did you, as charterers, place this towline on the "Western Chief"?

A Yes, just the usual way--anyone who charters a boat you have to put on your own towline.

Q And didyou put on this towline that you are claiming for on the "Western Chief"?

A Yes.

Q What happened to it, do you know?

A Well, after this boat was seized, a few days

after, Mr. Smith went looking for this rope. He went to Westminster and hecannot find this rope, so he inquired and he cannot find, but he heard rumour that the Navy took it away, the Navy officer took it away.

Q Now, when this Navy man came with the Navy uniform, did you ask him about this claim of $102.00 for the towline?

A Yes, he ask him -- he don't know himself, but he believe his men take it away to tie up another Japanese boat.

Q Is that what he said?

A Yes.

Q Now, Mr. Nakamoto, you have never been paidthis $102.00 or the $302.30?

A No.

Q Now I think it would be important for his Lordship to know with regard to the 1500 feet of galvanized rope as to its condition. What condition was it in at the time it was taken?

A Oh, just like new. We had just used it 21 days.

Q You had just used it 21 days?

A Yes.

Q So it would be practically new?

A Yes.

Q Now, the price you have claimed for it, would that be in its used condition or new condition?

A No, we figured it was new. We absolutely only put it in the water five or six times.

Q So it was as good as new?

A Yes.

Q And what about the towline, was it used or new?

A Yes, the same way. We just had it 2 days and only used it two or three times.

THE COMMISSIONER: And the prices that are shown here are the prices that you paid when you bought it, is that right? A: Yes.

MR. THOMSON: Now, Mr. Nakamoto, I want to deal next with the claim for charter hire in respect to the "Barkley Sound" and "Western Maid"?

A Yes.

Q I want to deal with those two boats. In the case of the "Barkley Sound" you are claiming for charter hire from December 8th, 1941, to August 4th, 1942, at $20.00 per day. The evidence put in here was that the boats were not taken over until August 26th, 1942. Do you know if that is correct? A: I think so.

Q As far as you know? A: Yes.

MR. THOMSON: My lord, I don't know whether it would be permissible or not for me to ask to amend that claim. I do not know whether I could amend it now.

THE COMMISSIONER: Have you any objection to that, Mr. Braidwood?

MR. BRAIDWOD: It is theusual practice, my lord.

THE COMMISSIONER: Yes, I will allow the amendment.

T. Nakamoto,
In Chief.

I understand the witness to say the vessels were not sold until August 26th and remained under charter until that date; is that right?

MR. THOMSON: Yes, they remained under charter, but we have never been paid for it.

THE COMMISSIONER: Well, what was the effective date of sale?

MR. THOMSON: Well I can find that, my lord. It would be later than August 26th, I think, but according to the records -- the boat records that Mr. McPherson has got from the Disposal Committee -- in the case of the "Barkley Sound" he puts in here -- invoice, August 26th, 1942, and then he has got a notice, "purchase price paid to me August 9th, 1942".

THE COMMISSIONER: Was there a further requisitioning for purchase? In some instances there was the requisitioning for charter in January or December, and later a requisitioning for a sale. Now, was there a second requisitioning in this instance?

MR. THOMSON: Well, my lord, I don't think I could produce a second requisition for purchase, but in effect that is what happened. We were instructed that the Government wished to purchase them and the price was fixed and the bills of sale were sent to us for execution.

THE COMMISSIONER: The effective date, then, according to Mr. McPherson, as representing the Government, was August 26th.

MR. THOMSON: August 26th, 1942 -- that was taken from the boats disposal committee, my lord, but as I pointed out to your Lordship the bills of sale were wrongly dated and there was another date before the new bill of sale was made out, but I think as far as the Union Trading Company is concerned they would be willing to accept August 26th rather than have any controversy.

Well now, my lord, that claim will be increased by 22 days at $20.00 a day, $440.00.

MR. BRAIDWOOD: Which one are you dealing with now?

MR. THOMSON: The "Barkley Sound".

THE COMMISSIONER: An additional 22 days at $20.00.

MR. BRAIDWOOD: I think I should tell the Court in all fairness that my notes show a notation in red ink of the acceptance of the tender as being on September 15th, 1942.

THE COMMISSIONER: That was on re-sale, was it?

MR. BRAIDWOOD: No, that was the acceptance of the tender by the Japanese Fishing Vessels Disposal Committee.

THE COMMISSIONER: Well that being the case I should think you would be entitled to extend it to September 15th, 1942.

MR. THOMSON: Well I would ask for such an amendment. You see, my lord, it has been very difficult for us to dig up all this information.

THE COMMISSIONER: I quite appreciate it. I suppose most of the information comes to you from the Custodian's office and the Government records.

MR. THOMSON: Yes, I had some correspondence but I don't think it would be fair to put in that at the moment because there were some little difficulties arose -- certain delays on our part. and

THE COMMISSIONER: That means entering 27 days in September and 15 days in August -- 42 days.

MR. THOMSON: All these records in our office were just bundled into boxes and taken away and I had to fish it out.

THE COMMISSIONER: Yes, I understand.

MR. THOMSON: Q: Mr. Nakamoto, has the Union Trading Company received any payment for charter hire of this boat, "the Barkley Sound" from the Government? Have they received any payment for charterhire from the Government or from the Navy?

A No.

Q Now later on do you remember executing a bill of sale of this boat to the British Admiralty -- to His Majesty the King?

A Yes.

Q But you never received any charter hire payment for this boat?

A No.

MR. THOMSON: Now I wish to thank my learned friend for that information -- September 15th, my lord.

Q Oh, by the way, in the case of the "Barkley Sound" what was the rate of charter hire for the "Barkley Sound" in the fall of 1941 and '42?

A You mean 1941 -- summer, you mean?

Q At the time she was seized what was the rate of charter hire for a boat?

A At the time of charter $21.00 a day.

THE COMMISSIONER: And that was the amount that was paid by Nelson Brothers?

A Yes.

MR.THOMSON: Q: And that would be a fair charter hire for a boat of that size?

A Yes, that would be fair.

Q Now, dealing with the "Western Maid", was she seized about the same time as the "Barkley Sound"?

A Yes.

Q And do you remember getting a telegram from the Director of Marine Services telling you to turn these boats over to the Navy?

A Yes.

Q And this is the telegram, is it?

A Yes.

Q And at the time this telegram was received, the boats had already been seized?

A Yes.

Q Now, dealing with the "Western Maid" -- I wonder if my learnedfriend has the same information as I have here?

MR.BRAIDWOOD: My information on the "Western Maid", taken from the Government records, was that it was requisitioned on August 26th, which is the date I think my learnedfriend indicated a little prior to this, but it would be later than the date

in the claim.

MR. THOMSON: Well, my lord, peculiarly enough the "Barkley Sound" has the same requisition and payment was made on October 9th, and I know the correspondence shows the bills of sale were sent at the same time for execution.

THE COMMISSIONER: I think we had better take the dates of tender, and I understand from you, Mr. Braidwood, the date of tender on the "Western Maid" was August 26th, is that correct?

MR.BRAIDWOOD: No, my lord, I have just come across further information here. The acceptance of tender here, too, was on September 15th. It is the same notation that appeared in the former notes.

THE COMMISSIONER: Very well.

MR. THOMSON: I will ask for a similar amendment on the "Western Maid", my lord.

THE COMMISSIONER: Yes.

MR.THOMSON:Q:Now this boat when she was seized by the Navy, Mr. Nakamoto, was she under charter to somebody?

A Yes, some place.

Q Who was she chartered to, Nelson Brothers?

A Yes.

Q And what was the rate of hire for the "Western Maid"? A: $17.00 per day.

Q Was that a fair charter rate for that boat --

A Yes.

Q -- at that time? A: Yes.

Q Now, have you ever received payment of the charter hire that was promised or agreed would be arranged in this telegram? A: No.

Q And do you remember executing a bill of sale of this "Western Maid" to the Government --

A Yes.

Q -- or to His Majesty the King?

A Yes.

MR. BRAIDWOOD: I think, my lord, while we are on this point of the various vessels I should state the information I have on file on some of them may vary slightly from my learned friend's, but I have given him what I have so far. The "Marmae" was another one.

MR. THOMSON: That is in a different category.

MR. BRAIDWOOD: Have you dealt with that one yet?

MR. THOMSON: No.

MR. BRAIDWOOD: That is fine.

MR. THOMSON: I was going to deal with the "Marmae" and the "B. C. Pride" in a separate category.

MR. BRAIDWOOD: That's fine.

MR. THOMSON: Q: Now, Mr. Nakamoto, the Union Trading Company you said was also the owners of the boat "Marmae" and the "B. C. Pride"?

A Yes.

Q And you have heard Mr. Clark give evidence of the "Marmae" and the "B.C. Pride" --

A Yes.

Q -- the charter rate for them?

A Yes.

Q What size of a boat was the "Marmae" compared with the "B.C. Pride" -- well I guess I don't need to go into that again, my lord.

THE COMMISSIONER: No.

MR. THOMSON: Q: Now, the "B.C. Pride" and the "Marmae" were they seized by the Navy?

A The "Marmae" was seized.

Q The "Marmae" was seized?

A Yes.

Q And at the time she was seized, do you remember what date that was?

A The "Marmae" was working up on the west coast of Vancouver Island, and the Navy seized her and used her to tow Japanese boats down.

Q To Tow Japanese boats down?

A Yes.

Q Now, do you remember how long it was between the time she was seized -- or do you remember the date she was seized?

A No, I don't know exactly, no. You see, we were working on the herring with the boats up the coast.

Q Now, do you remember approximately the date?

A I believe it was seized some time between December 7th and 9th.

Q You think itwas between December 7th and the 9th?

A And the Navy put their own captains on and using it all the time.

Q Now, that boat was under charter to Nelson Brothers you told us. Do you remember how long that charter was for?

A To the end of the herring season -- to around March.

Q Of 1942? A: Yes.

Q Now, do you remember who bought the "Marmae" from the Disposal Committee?

A Nelson Brothers.

Q And do you remember the date of the sale?

A It would be some time in March or April.

MR BRAIDWOOD: My lord, the Government records show in this instance -- for your Lordship's information, March 17th.

MR. THOMSON: Yes, my lord, that is what it is supposed to be and what the Disposal Committee's records show, but that same record shows that we did not get paid until August 12th, 1942.

MR. BRAIDWOOD: That is correct.

THE COMMISSIONER: Well I must be guided by the date of requisition, and I do not see how I can take into account delays in payment.

MR. THOMSON: No, I agree with your Lordship on that because it might be difficult to straighten it out.

THE COMMISSIONER: What is the date?

MR. THOMSON: March 17th, 1942, and the claim will be amended because I have claimed to August 4th, my lord.

THE COMMISSIONER: Let me see. That will be 12 days in December and 31 in January and 28 in February and 17 in March. What is the total number of that?

MR.THOMSON: I think 88.

THE COMMISSIONER: Yes, that is right, 88 -- 1760, and you are asking to amend by changing the date to March 17th and reducing your claim from $4,780.00 to $1760.00?

MR. THOMSON: Yes.

Q And, Mr. Nakamoto, -- this is dealing with the "B.C. Pride", my lord -- I think your Lordship has this -- on the "Marmae" my recollection is if there was a mortgage on it, and we have some difficulty in getting the mortgage off. Now, dealing with the "B.C. Pride" that was another boat belonging to the Union Trading Company Limited. Was she seized by the Navy?

A Yes, once seized.

Q Now, what happened to her when she was seized?

A Well, Nelson Brothers did some work with it.

Q Nelson Brothers did some work with the Government authorities and had her returned?

A Yes.

Q But she was not returned to you?

A No.

Q Did Nelson Brothers buy her?

A Yes.

Q Do you remember the date when Nelson Brothers

bought her?

A No, I don't remember.

THE COMMISSIONER: Can you help us in that respect, Mr. Braidwood?

MR. BRAIDWOOD: Yes, my lord, I have material from Robertson, Douglas & Symes, who were the solicitors at that time for Nelson Brothers. It was December 11th when the Union Trading Company agreed to sell its interests.

THE COMMISSIONER: December 11th?

MR. BRAIDWOOD: Of 1941, my lord. The situation there was, I believe, in June of that year a year's option had been given to Nelson Brothers Fisheries who were the holders of a mortgage on the vessel, and apparently when the seizure of the vessels took place by the Government, the Nelson Brothers decided to move in on them and take advantage of their option and took over the boat. The option was given on June 11th of that year at a price of $18,500.00 and that was subject to a mortgage of $9000.00.

MR. THOMSON: The records of the boats disposal committee, I think, my lord, will agree that it was December 19th, 1942.

MR. BRAIDWOOD: Yes, my lord, that is true -- December 19th, 1941.

THE COMMISSIONER: Was there any charter in existence then?

MR. BRAIDWOOD: Well, I suppose my learned friends took

the position that we took over the boat during that period and had it and there was no effective sale at this time.

THE COMMISSIONER: Is this the telegram you refer to?

MR. THOMSON: I was going to refer to that. This category of the "B.C. Pride" and the "Marmae", we have had no requisition from the Government. This is a case where the boats were under charter and were seized and we were deprived of the charter down to the time they were sold, and I think the date would be December 19th.

THE COMMISSIONER: I see.

MR. THOMSON: So that claim will have to be amended from December 9th to December 19th -- $20.00, a matter of ten days, and I would ask for that amendment, if your Lordship pleases.

THE COMMISSIONER: Yes.

MR. THOMSON: Q: Now, Mr. Nakamoto, the "B.C. Pride", what would be a fair charter hire for her in December of 1941?

A Around $40.00 was the price I was getting.

Q You were getting $40.00 a day?

A At that time.

Q Is she a bigger boat than the others?

A Yes, she is a seine boat.

Q She is the seine boat?

A Yes.

Q And you think that the charter hire should be $40.00? A: Yes.

THE COMMISSIONER: Q: What were Nelson Brothers paying you?

A At the time, $40.00.

MR. THOMSON: Well, my lord, I shall ask for that amendment of $40.00 a day, making it $400.00.

Q Now you remember these boats -- a bill of sale being executed for them, do you?

A Yes.

Q For the "B.C. Pride" and the "Marmae"?

A Yes.

Q To Nelson Brothers? A: Yes.

Q And have you ever received -- that is, has the Union Trading Company Limited received any charter payment for the "B.C. Pride" or the "Marmae" at any time from the Government?

A No.

MR. THOMSON: My lord, I think that is all the evidence that I have to offer.

THE COMMISSIONER: Very good. Do you wish to cross-examine, Mr. Braidwood?

MR.BRAIDWOOD: Yes, I have some questions.

CROSS-EXAMINATION BY MR. BRAIDWOOD:

Q Mr. Nakamoto, have you at any time received any of the charter moneys from Nelson Brothers Fisheries for the "B.C. Pride" and the "Marmae" from the date of Government seizure to the date that Nelson Brothers bought them?

A I am sorry, I don't understand.

Q The "B.C. Pride" -- the Nelson Brothers Fisheries bought the "B.C. Pride" and the "Marmae"?

A Yes.

Q And they were to pay you charter money while they used the boats, is that right?

A What do you mean?

Q Nelson Brothers?

A Before they seized?

Q Up until the time that the Government seized, Nelson Brothers were to pay you charter money?

A Yes.

Q And there was a period of about ten days after the Government seized--

A Yes.

Q -- before Nelson Brothers purchased the vessels?

A Yes.

Q Did Nelson Brothers pay you any charter money during that period?

A No.

Q For either vessel -- the "B.C. Pride" nor the "Marmae"? A: No.

MR. BRAIDWOOD: I think that is all, my lord.

THE COMMISSIONER: That is all. Thank you, Mr. Nakamoto.

(Witness aside)

THE COMMISSIONER: Is there anything you wish to say, Mr. Thomson, in support of your claim?

MR. BRAIDWOOD: Excuse me, my lord, before I leave Mr. Nakamoto, I presume my learned friend is

willing to admit the statements I made a few moments ago about the option on the "B.C. Pride" -- that there was an option with the Nelson Brothers Fisheries.

MR. THOMSON: Well, I will just ask Mr. Nakamoto about that. Well, my lord, it is complicated but we admit the option was in existence.

THE COMMISSIONER: Very good.

MR. THOMSON: My lord, -- the

THE COMMISSIONER: You do not need to direct an argument to the claim for loss of chattels, nor the first two vessels where it was shown there was a charter-- a requisitioning for charter. However, the claim in respect to the "B.C. Pride" and the "Marmae" is on a different footing.

MR. THOMSON: Your Lordship will appreciate the fact that I separated them into a separate category because I appreciate the fact they are in a different position: One, in the case of the requisition was practically a contract, and in the other case my submission is this: These boats, the "B.C. Pride" and the "Marmae" were under charter to Nelson Brothers -- the bare boats. The Nelson Brothers provided the crews and they were fishing in the fishing industry at the time. And your Lordship will notice -- in the preamble of some of these Orders-in-Council here, machinery was set up with a view to keeping these boats in the fishing industry because of the necessity for the fishing product.

THE COMMISSIONER: Yes, that is so.

MR. THOMSON: Now my clients take the position -- and they take the position in all the correspondence at the time which I can file, that under those circumstances these boats should not be seized and taken off the charters. We had them on charter to Nelson Brothers, and the minutes they were seized Nelson Brothers' records show the charter was just cut off like that -- that is the charter payment to us, but, nevertheless, Nelson Brothers were allowed to carry on with these boats and ultimately buy them.

THE COMMISSIONER: They were never taken out of the possession of Nelson Brothers; is that the case?

MR. THOMSON: That is the case, as I understand it, my lord. They simply carried on -- It was their crews, and in the case of the "Marmae", my lord, the Navy may have had her for a few days but the Nelson Brothers cut off our charter and there was no necessity for it under the circumstances and we suffered loss -- a very serious loss, by reason of that conduct on the part of the Governmental authorities which I think the Government ought to compensate us for, because if these boats had not been under charter to white owners and with white crews, as a matter of fact, none of these boats have ever had Japanese crews on them in 10 or 15 years, and we would have carried on with Nelson Brothers and received our charter hire down to the

end of the season and possibly then in herring. And the only submission I can make is on these grounds we have suffered a loss on charter hire, and I think the Government should compensate my clients. They have been very fair in their demands, but they have suffered a tremendous loss.

THE COMMISSIONER: I do not suppose there is anything more to be said for it than that.

MR. THOMSON: Your Lordship will appreciate these boats are of tremendous value today. However, that is all I can submit to your Lordship.

THE COMMISSIONER: Thank you. Have you anything to say, Mr. Braidwood?

MR. BRAIDWOOD: Well, your Lordship will appreciate due to the prior admissions, these matters are outside the terms of reference, and your Lordship will deal with them separately.

THE COMMISSIONER: Yes, the whole thing is based on that understanding.

MR. BRAIDWOOD: If I could say anything that would be helpful, I think there is something to be considered from your Lordship's observation of the evidence as given by Mr. Shears in the general evidence some time ago -- that this charter money was considered to some extent in connection with the purchase price of the vessels, and I might ask Mr. Shears to come back again.

THE COMMISSIONER: I think that is quite right. The situation, I think, was this : All of these

vessels having been requisitioned for charter were appraised, and then when the vessels were subsequently sold, they were sold at the appraised price, or 15% in excess of the appraised price under the policy adopted by the committee, so the fact of the charter having been earning money in the meantime was not taken into account in the sale price.

MR. BRAIDWOOD: I think yourLordship should take into consideration the repairs that were made on these vessels. They were taken into account in arriving at the sale price, and the charter money which should be taken as when the boat was put into service.

THE COMMISSIONER: We have not had any evidence in that regard.

MR. BRAIDWOOD: In one instance there was $300.00, but in any event I take it your Lordship's recommendation would be reasonably general.

There was one other point that arose in my discussion with my friend, and that was as to the date involved, and your Lordship will have to rule as to the actual date of requisition as shown on the records or the date of tender which would be the effective date.

THE COMMISSIONER: Well, my disposition would be to take the effective date as being the effective date of tender.

MR. BRAIDWOOD: Well, your Lordship has that, on the amendments that my friend has put in -- in one or

two instances the requisitions were at an earlier date.

THE COMMISSIONER: Yes, but they were not acted upon, were they?

MR. BRAIDWOOD: The notes on my file show the acceptance of the tender--

THE COMMISSIONER: Well, so far as this claim is concerned, I consider the claims are wholly outside the terms of reference, but notwithstanding that I propose to make a recommendation for some payment in respect of the lost articles covered under "A" and "E", I think it is, of the claim, and also in respect of the first two vessels -- the charter hire of the first two vessels.

So far as the "B.C. Pride" and the "Marmae" are concerned, that is on quite a different footing, and whilst I propose to report on it, I do not feel disposed to make any recommendation other than to call attention to the situation that has developed in consequence of the disposition of these boats. You haven't anything else today?

MR. BRAIDWOOD: No, my lord.

MR. THOMSON: My lord, would it be possible for me to have the correspondence to make copies of it?

THE COMMISSIONER: Yes.

MR. THOMSON: I could arrange that with the Registrar.

THE COMMISSIONER: I am quite satisfied to turn it over to you, Mr. Thomson and perhaps you could avoid the burden of copying the whole of it by simply

copying extracts and filing that in substitution of these documents.

MR. THOMSON: I think I will just hand it to my secretary and have her copy them.

THE COMMISSIONER: Mr. Secretary, will you take a receipt from Mr. Thomson for those documents, and get them back in due course.

Now, if there is nothing further, we will adjourn until tomorrow at 10 o'clock.

(PROCEEDINGS ADJOURNED TO 10:00 A.M., JUNE 3/49).

I hereby certify the foregoing to be a true and accurate report of the said proceedings.

Official Stenographer

DEC 31 1947 DEC 31 1947 Case 1396

IN THE MATTER OF a Commission to Investigate Claims of Japanese Canadians for Property Losses.

TO: The Commissioner,
Office of the Custodian,
Royal Bank Bldg.,
Vancouver, B.C.

ACKNOWLEDGED E 101 11738 Vernon

Pursuant to the notice issued on the 26th day of September, 1947, I submit the following claim:

(1) NAME Union Trading Company Limited (RCMP) Reg. No. 05748
(Print) Surname Given Name

(2) Pre-Evacuation Address Foot of Bidwell Street, Vancouver, B.C.

(3) Present Address Celista, B. C. and 1001 Rogers Building, Vancouver, B.C.

(4) REAL ESTATE - Nil

(a) Street Address (if any) Nil
City or Municipality, Province

(b) Legal description (lot number, block number, section number, etc.) Nil

(c) Type of Real Property (cross out words which do not apply): Nil

(i) Farm
(ii) Residence Type of business Nil
(iii) Business
(iv) Any other type of property (describe) Nil

(d) What was your interest in the property (e.g., sole owner, life tenant, joint tenant, owner of one half or one third interest, leasehold, etc.) Nil

(e) Fair market value at date of sale (estimate this to the best of your ability): Nil

(i) Land - - - - - - - - - - - - Nil - - - $
(ii) Buildings - - - - - - - - - - Nil - - - $
(iii) If business, put value on business as going concern (including land and buildings, tenancies, chattels, fixtures, stock-in-trade, goodwill and accounts receivable) - - - - - - - - - - - - - - - - $
(iv) Total value (if you cannot give separate values for lands and buildings just fill in total value) - $
(v) Amount at which Custodian sold property and credited your account - - $
(f) Loss (This figure is arrived at by deducting item (v) from item (iv) - - - $

(5) PERSONAL PROPERTY

(a) Place or places at which property was left by the claimant at date of evacuation on board the fish boats/ B.C. Pride Western Chief, in the Western Maid, Olympic II, Barkley Sound, Marmae, B.C. coastal waters of B.C.

(b) Type of premises in which property left (e.g., house, warehouse, garage, shed, church basement, etc.)
The said fish boats.

(c) How stored or packed at time of evacuation Left on the said fish boats in the usual position such property would occupy on said boats in running condition, as fishing boats.

(over)

(d) In whose care was property left at date of evacuation by the claimant. (This question refers to the terms of reference which exclude claims where the property was lost, destroyed or stolen while under the custody, control or management of any person other than the Custodian appointed by the owner of the property. It involves some definite arrangement whereby you appointed someone to take care of the property and such person accepted the responsibility of so doing. Unless such an arrangement was made the question should be answered "in no one's care") _____

(e) Itemized description of personal property which is the subject of the claim:

1.	See Schedule "A" attached hereto	Estimated Value $ 302.30
2.	See Schedule "B" attached hereto	Estimated Value $ 129.53
3.	See Schedule "C" attached hereto	Estimated Value $ 32.50
4.	See Schedule "D" attached hereto	Estimated Value $ 50.00
5.	See Schedule "E" attached hereto	Estimated Value $ 102.00
6.	See Schedule "F" attached hereto	Estimated Value $ 4780.00
7.	See Schedule "G" attached hereto	Estimated Value $ 4780.00
8.	See Schedule "H" attached hereto	Estimated Value $ 4800.00
9.	See Schedule "I" attached hereto	Estimated Value $ 4080.00
10.		Estimated Value $

TOTAL CLAIM FOR PROPERTY LOSS $ 19066.33

N.B.—If you cannot list all the items here prepare a separate list with values set out opposite each item and attach it to the form. The item "personal property" includes shares, bonds, mortgages, loans, notes and all other forms of property not included in real estate.

(f) Total claim including ~~real and~~ personal property (this figure can be arrived at by adding items 4(f) and 5(e) - $ 19066.33

(6) (a) Place at which claimant prefers to be heard. (Vancouver, ~~Kamloops, Nelson, Lethbridge, Moose Jaw, Winnipeg, Toronto or Montreal.~~) _____

(b) Do you require the services of an interpreter at the hearing? Yes ~~or no~~ _____

N.B.—This Declaration must be sworn before a Commissioner, Notary Public or other person entitled to take declarations. All lawyers are qualified to do so.

DOMINION OF CANADA)
of)
TO WIT:)

I, TOYOJNIA NAKAMOTO of the District
of Celista in the Province of British Columbia

DO SOLEMNLY DECLARE THAT: I am a Director & President of Union Trading Co. Ltd. The information set out in the form above is true and correct to the best of my knowledge, information and belief 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 Town)
of Salmon Arm.)
in the Province of British Columbia)
this 28th day of November)
A.D. 1947. W G Thompson A Commissioner &c.)

Union Trading Co Ltd
T Nakamoto Director

A Notary Public in and for the Province of British Columbia

N.B. — THIS FORM FULLY COMPLETED AND SWORN BEFORE A COMMISSIONER SHOULD BE MAILED BY REGISTERED MAIL TO THE COMMISSIONER, c/o THE OFFICE OF THE CUSTODIAN, ROYAL BANK BLDG., VANCOUVER, B.C., BEFORE NOVEMBER 30th, 1947. IF YOU CANNOT MAIL IT BEFORE THIS DATE SET OUT BELOW REASONS FOR THE DELAY.

_____

_____

_____

_____

A Notary Public in and for the Province of British Columbia

SCHEDULE "A"

UNION TRADING COMPANY LIMITED

January 20, 1942.

List of equipment missing since time of seizure.

1942.

To	1500 Ft. 5/8 x 6/24 Galv. Wire Rope, Lubricated @ $19.50 c'	292.50
	1 - 5/8" Galv. Anchor Shackle	.80
	1 - Wire Rope Patent Swivel	4.00
	3 - Splices & Hearts	5,00
		$302.30

SCHEDULE "B"

UNION TRADING COMPANY LIMITED

Vancouver, B.C.
January 23, 1942.

1942. Re: M/V "Barkley Sound"

List of Equipment missing since time of seizure, December 12, 1942.

1 - 1½# Machine Hammer		1.19
1 - 1" Cold Chisel		.90
1 - Hacksaw 10" (Sunset)		2.10
1 - Claw Hammer		1.45
1 - 8" Crescent Wrench		1.00
1 -10" do.		1.25
1 -12" do.		1.80
1 -15" do.		3.20
1 - 6" Screw Driver		.52
1 -10" do.		.81
1 pr. 8" Pliers		1.47
1 2 Hunters Axe		.90
1 -14" Pine Wrench		2.1o
1 -24" do.		5.30
1 - Fire Axe		2.50
1 - Engine Room Vise #3		12.00
2 - Life Buoys 24"	@ $6.10	12.20
1 - Pyrene Fire Extinguisher		9.80
1 - Foamine Fire Extinguisher		19.80
11 - Assorted Charts of B. C. Waters		5.00
1 - Seth Thomas Ships clock		20.00
1 - Barometer		7.50
3 - Fire Buckets	@ $1.28	3.84
6 - Life Belts (Kapok)	@ $2.15	12.90
		$129.53

SCHEDULE "C"

UNION TRADING COMPANY LIMITED

Vancouver, B.C.
January 23, 1942.

1942 Re: M/V "Barkley Sound"

2 - 9" Galv. Purse Seine Block 25.00

Engine Room Tools:

1 - 3" Stanley Smooth Plane
1 - 12 oz. 52 Stanley Claw Hammer
(Mc & Mc Inv. 58037 - 18/7/41)

1 - A110 Crescent Wrench
1 - A18 " "
1 - 20 x 10 Screw Driver
1 - 20 x 6 " "
1 - 13 x 8 Pliers
(Mc & Mc Inv. 57943 - 18/7/41)

12.50.

SCHEDULE "D"

UNION TRADING COMPANY LIMITED

Re: M/V "Barkley Sound"

Galley Equipment: (Mc & Mc Inv.#57943 - 18/7/41)

4 - No. 210 Windsow Teaspoons
3 - Monarch Table Knives
1 - No.15 Nevada Table Forks
1 - No. 7 Opal Butter Dish
3 - White Vit Saucers
1 - No. 1 Acme Fry Pan
1 - No. 30 Pearlware Teapot
1 - 35 Emerald LV & GR Coffee Pot
1 - 800 Pearl Ware Saucepans
1 - 1000 " " "
1 - Alum Saucepan No. 591
1 - No. 1 Burns Bread Knife
1 - Egg Beatter 1 x 1
1 - Wire Toaster No. 300D
1 - No. 2 Emerald 1 & G Colander
1 - 30 Pearlware Wash Basin
1 - B Broom
1 - Chipper Hunter Axe
1 - 12' Pike Pole
1 - White Vit Sugar Bowl
1 - No. 20 Pearl Roaster
2 - No. 7 Sheet Iron Bake Pan
1 - No. 2 Y Ladd Egg Beater
1 - No. 3 Model Food Chopper
1 - Empire Grater
2 - No. 13 Opal Oblong Pud. Dish
1 - No. 1 Opal Milk Pitcher
1 - 537 Preserving Kettle Alum
2 - No. 5810 Alum HB Pail
1 - No. 16 Egg Whip
4 - No. 0 Acme Fry Pan
1 - C Broom
1 - 503 Cannery Broom & Hadle
1 - 3731 Cannery Broom & Hdle.
1 - 5273 Alum Dble. Boiler
1 - 77 x 20 Butcher Saw
4 - Dinner Knives 75CT
4 - Dessert Fork No. 240
4 - Teaspoons No. 210
8 - Dessert Spoon No. 220

2 -GB Vit Mugs
8 - do. Saucers
1 - do. Plates 8"
2 -GB Vit. Bowls 30's
1 - Cov. Sugar Bowl

(Value - $50.00)

SCHEDULE "E"

UNION TRADING COMPANY LIMITED

January 29, 1942.

1942.

TOWLINES EX M/V "WESTERN CHIEF"

1 coil 65 faths.	1¼"	P. M. Rope	
	166#	@ .25½	$ 42.33
1 coil 65 faths.	1½"	P. M. Rope	
	234#	@ .25½	$ 59.67
			$102.00

SCHEDULE "F"

UNION TRADING COMPANY LIMITED

August 4, 1942.

To loss of charter hire of the M/V Motor Vessel, "B. C. Pride" (Fishing Vessel), from December 9, 1941 to ~~August 4, 1942,~~ ~~Sept 15~~ Dec 19 41, @ $40.00 per day $4780.00

~~plus 42 days at 20~~ ~~840~~

~~$5620~~

This boat was seized by the Royal Canadian Navy and the Custodian on December 9, 1941, and used and retained by the Royal Canadian Navy and the Custodian during the period aforesaid.

10 days at $40 = $400

SCHEDULE "G"

UNION TRADING COMPANY LIMITED

August 4, 1942.

12 31 28 17.

88

TO loss of charter hire of the M/V "Marmae" Motor Vessel (Fishing Boat), from December 9, 1941 to ~~August~~ March 17, 1942, @ $20.00 per day . . . .~~$4780.00~~

88 days at 20 $1760

This boat was seized by the Royal Canadian Navy and the Custodian on December 9, 1941, and used and retained by the Royal Canadian Navy and the Custodian during the period aforesaid.

SCHEDULE "H"

UNION TRADING COMPANY LIMITED

August 4, 1942.

TO loss of charter hire of the M/V Motor Vessel "Barclay Sound" from December 8, 1941 to ~~August 4~~ Sept 15, 1942, at $20.00 per day.....$4800.00

42 x 20 = 840 840

5640

This boat was seized by the Royal Canadian Navy and the Custodian on December 9, 1941, and used and retained by the Royal Canadian Navy and the Custodian during the period aforesaid.

SCHEDULE "I"

UNION TRADING COMPANY LIMITED

August 4, 1942.

TO loss of charter hire of the M/V Motor Vessel, "Western Maid" from December 8, 1941 to ~~August 4~~ Sept 15, 1942, @ $17.00 per day . . . $4080.00

Sept 15 - 42 - 42 x 17 = 714

4794

Thisboat was seized by the Royal Canadian Navy and the Custodian on December 9, 1941, and used and retained by the Royal Canadian Navy and the Custodian during the period aforesaid.

COPY

CANADIAN PACIFIC

TELEGRAPHS

WORLD WIDE COMMUNICATIONS

26 WA BA 91 DL

OTTAWA ONT DEC 31, 1941 433 PM

601

UNION TRADING CO LTD
602 ~~W~~ ~~WEST~~ ~~HASTINGS~~ ~~ST~~ Foot of Bidwell St.
VANCOUVER BC

BY AUTHORITY OF POWER DELEGATED TO ME BY MINISTER OF
UNDER DEFENCE
NATIONAL DEFENCE / OF CANADA REGULATIONS VESSELS BARKLEY SOUND AND WESTERN MAID ARE HEREBY REQUISITIONED FOR NAVAL SERVICE TO BE DELIVERED FORTHWITH TO COMMANDING OFFICER PACIFIC COAST AT STEVESTON BC STOP VESSELS REQUISITIONED FOR HIRE ON BARE BOAT BASIS AND TERMS OF CHARTER HIRE WILL BE DETERMINED LATER STOP CANCEL ALL MARINE INSURANCE POLICIES FROM TIME VESSEL HANDED OVER TO COMMANDING OFFICER PACIFIC COAST STOP PLEASE CONFIRM YOUR UNDERSTANDING THESE INSTRUCTIONS AND INFORM UNDERSIGNED DATE AND HOUR VESSELS HANDED OVER

DIRECTOR OF MARINE SERVICES

141 PM

EXHIBIT No. 1396 - 1
DATE 2 June 1949
FILED BY
W. G. Thompson.

COPY

Deliver

CANADIAN PACIFIC

TELEGRAPHS

WORLD WIDE COMMUNICATIONS

26 WA BA 91 DL

OTTAWA ONT DEC 31, 1941 433 PM

601

UNION TRADING CO LTD
602 ~~W~~ST ~~H~~ASTINGS ST
VANCOUVER BC

Foot of Bidwell St.

BY AUTHORITY OF POWER DELEGATED TO ME BY MINISTER OF NATIONAL DEFENCE / UNDER DEFENCE OF CANADA REGULATIONS VESSELS BARKLEY SOUND AND WESTERN MAID ARE HEREBY REQUISITIONED FOR NAVAL SERVICE TO BE DELIVERED FORTHWITH TO COMMANDING OFFICER PACIFIC COAST AT STEVESTON BC STOP VESSELS REQUISITIONED FOR HIRE ON BARE BOAT BASIS AND TERMS OF CHARTER HIRE WILL BE DETERMINED LATER STOP CANCEL ALL MARINE INSURANCE POLICIES FROM TIME VESSEL HANDED OVER TO COMMANDING OFFICER PACIFIC COAST STOP PLEASE CONFIRM YOUR UNDERSTANDING THESE INSTRUCTIONS AND INFORM UNDERSIGNED DATE AND HOUR VESSELS HANDED OVER

DIRECTOR OF MARINE SERVICES

241 PM

EXHIBIT No. 1396-2 (+6 sheets).
DATE 2 June 1949
FILED BY W. G. Thomson

C
O
P
Y

January 15, 1942

Director of Marine Services,
OTTAWA,
Ontario.

Dear Sir:

In Re: Union Trading Company Limited--Boat Olympia #2.

I beg to inform you that I am the solicitor for the above named Company who has placed before me your telegram of December 31, 1941 with regard to the "Barclay Sound" and the "Western Maid", and also your telegram received yesterday in respect to the "Olympia #2".

My client wishes to point out to you that the "Olympia #2" is an old boat built in 1925, 60' long, powered by a full Atlas deisel 50 h.p. and that she is not in good condition, either as to frame structure which suffers from rot nor from engine condition both of which will require extensive overhauling. Furthermore my client wishes to point out that for some time this boat has been geared and equipped in the shark fishing business and has been captained by one Leon Braekke, a Norwegian, and manned by a white crew in this fishing business for the past 12 years and at no time has she been captained or crewed by other than a white crew.

You are no doubt aware of the fact thatthe fishing of shark liver is an important war industry at this time because the by-products of the shark liver is an important ingredient used in the construction of aeroplanes. This man Braekke is a very successful shark fisherman and I believe the records will show that he is the top man on this coast at the time the seisure order was issued about December 12, 1941, this boat was engaged on the west coast in this fishing and she was allowed to proceed with her work until her catch was completed and she arrived in Vancouver on December 23, 1941 when she was tied up. Braekke is desirous of continuing in his shark fishing and he, having been the captain of this boat for the past 12 years, deals with the boat if he were the owner of her in so far as my client is concerned and he has made an offer to my client to purchase her so that he may

continue in the shark fishing business and my client is desirous of completing the sale to Braekke so that the boat will not be tied up and this important war industry, beneficial to this country, will be carried on.

My client is anxious to effect this sale to Braekke and would respectfully suggest to you that it is the owner of another boat called the "Marmae" which was built in 1930 and which is in very good shape, both from an engine and frame construction standpoint and is 70' long and is powered by a 100 h.p. full estep deisel engine. The "Marmae" is lying idle in Vancouver at the present time under the seisure orderof December 12, 1941. My client is of the opinion that the "Olympia #2" will not pass inspection, or in any event, will require a very substantial sum of money to be expended upon her before she will pass inspection, but nevertheless, she is in sufficiently good condition for shark fishing and my client seems to think that it would be much more profitable for all parties concerned if your requisition telegram received yesterday in respect to the "Olympia #2" was made to apply to the "Marmae" instead of the "Olympia #2" and that instructions be issued to permit of the said of the "Olympia #2" to Braekke so that the shark fishing can be carried on. Braekke is a Norwegian of some financial substance and is well able and anxious to purchase this boat.

I should be glad to hear from you with respect to this matter and also the matter about which I propose to continue with in this letter. In respect to your telegram of December 31, 1941 applying to the "Barclay Sound" and the "Western Maid", I would like to know from what time it is proposed that the charter hire commence because these 2 boats were seized under the seizure order of December 12, 1941 and since that time they have been used and manned by the Navy in rounding up and towing in the other Japanese fishing boats. On December 31, 1941 by your telegram, you requisitioned these 2 boats for the Navy and you requested my client to advise you on what date and hour they were handed over. It is impossible for my client, on or after receipt of your telegram of December 31, 1941, to do anything in respect to the handing over of these boats because they were already in the possession of the Navy which I presume is also in your possession. Under these circumstances I think that the date of the charter hire and the date of the handing over should be December 12, 1941.

It is important that we are of the same mind in respect to this date so that the insurance can be cancelled accordingly, but my client has been loath to cancel the insurance by reason of the unsettled state of affairs with

regard to these boats the "Barclay Sound" and the "Western Maid".

Furthermore in respect to the "Barclay Sound" and "Western Maid", I would like to know if under these requisition telegrams of yours the boat is requisitioned from the date of the telegram or from the date she passes inspection because there is some intimation that the "Western Maid" will not pass inspection and will be turned down and some complications might arise in a case of this kind if our insurance was cancelled from the date of your telegram, if the boat is subsequently turned down and not accepted, especially in view of the fact that she is in the hands of the Navy under the seizure order of December 12, 1941.

What I have written above with regard to the "Western Maid" applies also to the "Olympia #2" since December 23, 1941 and I would like to know if it is safe for us to cancel the insurance in respect to the "Olympia #2" as of yesterdayIs date or are we required to wait to see if she passes inspection?

I cannot urge too much upon you the importance to the war effor t of the "Olympia #2" being released with a permit that she be sold to Mr. Braekke.

I shall be glad to hear from you by air mail or telegram. I prefer the air mail because sometimes these telegrams are not as clar to the recipients as they are to the sender.

Yours truly,

WCT:MP

CANADA

Refer to File Number
9015-0-8

DEPARTMENT OF TRANSPORT

C
O
P
Y

Executive Office
Director of Marine Services

OTTAWA January 20, 1942.

Dear Sir:-

I wish to acknowledge the receipt of your letter of January 15th relative to the requisitioned vessels, "WESTERN MAID" and "OLYMPIA NO. 2".

The representations which you have placed before me have been referred to Naval Headquarters for consideration.

Yours very truly,

"J. G. Macphail"

(J. G. Macphail)
Director of Marine Services.

W. Chandler Thomson, Esq.,
Barrister-at-law
Rogers Building,
470 Granville Street,
Vancouver, B.C.

COPY

DEPARTMENT OF TRANSPORT

OTTAWA

January 26, 1942.

Dear Sir:

Further to my letter of January 20th in acknowledgment of yours of January 15th relative to the requisitioned vessels "WESTERN MAID" and "OLYMPIA NO. 2", I am to inform you that all questions arising out of the requisitioning of vessels on the Pacific Coast are to be referred to the Commanding Officer, Pacific Coast, Esquimalt, B.C.

I shall, therefore, be obliged if you will place your representations before him for consideration.

Yours very truly,

(Snd) "J.G. Macphail)

(J.G. Macphail)
Director of Marine Services.

W. Chandler Thomson, Esq.,
Barrister-at-Law,
Rogers Building,
470 Granville Street,
VANCOUVER, B.C.

January 15, 1942

Honourable Mr. Justice Sydney Smith,
Chairman of the Board of Transfers
of Japanese Boats,
Court House,
VANCOUVER, B.C.

Dear Sir:

In Re: Union Trading Company Limited--Boat "Olympia #2"

I beg to inform you that I am the solicitor for Union Trading Company Limited, a British Columbia corporation, and the owner of the diesel boats "Olympia #2", "Western Maid" and Barclay Sound". These boats range from 60' to 70' in length and are powered by full diesel engines and have been employed in the fishing business since their construction.

This Company was incorporated on July 11, 1936, with a capital of $10,000 of which $8,000 has been subscribed and the balance remaining in the treasury. The share distribution is as follows:

Toyojiro Nakamoto	-	10 shares
Toku Nakamoto, wife of the above named	-	7980 shares
Andrew Scott Smith	-	10 shares
		8000 shares

Mr. Nakamoto is a naturalized Canadian, having been naturalized on March 1st, 1922, and as such has not required to report to the Royal Canadian Mounted Police, and this man lives in south Vancouver with his 2 children, a boy and a girl, who are grown-up young people.

These ships are owned by a British Columbia corporation and are not Japanese owned although the principle shareholders of the Company are naturalized Japanese.

Honourable Mr. Justice Sydney Smith January 15, 1942

On December 12, 1941, all the boats of my client with the exception of the "Olympia #2" were seized, but the "Olympia #2" being engaged in shark fishing at the time, was allowed to complete her catch and arrived in Vancouver on December 23, 1941, when she was taken into custody.

Uner the "War Measures Act" it is my understanding that the Government, through the Director of Marine Services, can requisition the services of any boat, and on December 31, 1941, they requisitioned the services of the "Barclay Sound" and the "Western Maid", which were already in the possession of the Navy under the seizure of December 12, 1941.

Yesterday a telegram was received from the Director of Marine Services at Ottawa advising my client that the boat "Olympia #2" had been requisitioned and requesting that she be delivered to the Navy and also requesting that we advise them of the date and hour when these boats were handed over to the Navy. I would first like to point out to you the situation with regard to the "Olympia #2", This boat was built in 1925, is 60' long and is powered by a 50 h.p. Atlas diesel engine. Her frame construction is suffering badly from rot and her engine is old.

For the past ten years this boat has been in charge of Captain Leon Braekke and she has been manned by a white crew and at no time during the past 12 years has she been in charge of Japanese or Japanese crews. During this time Captain Braekke has used the boat in the fishing business and dealt with her for all intents and purposes as if he were the owner thereof. During this time he has become a very efficient shark fisherman and I believe the records will show that he is now the top man in this line of fishing on this coast.

Shark fishing is an important war industry in as much as the liver produces a substance which is essential in the manufacture of aeroplanes and there is an exceedingly great demand for shark livers at this time.

Since the boat was tied up on December 23, 1941, Mr. Braekke has been very anxious to carry on his industry as he has a very extensive knowledge of the shark fishing grounds in British Columbia and it must be remembered that the boat is crewed and equipped completely for this business of shark fishing and she is suitably powered and constructed for this work. Mr. Braekke, since December 23, 1941, has been anxious and is financially able to purchase this boat so that he may be allowed to continue in this important fishing industry, but the Naval authorities have been so submerged with this great deal of extra

work that has been thrown upon them, that they have been unable to deal with the matter, but on behalf of my client I respectfully submit to you that it is important that the sale of this boat be permitted and that she be allowed to continue in the shark fishing business.

My client has this day advised the Director of Marine Services along the line contained in this letter to you and it has advised the Director of Marine Services that it is the owner of another boat called the "Marmae" which is a 70' boat built in 1930, powered by 100 h.p. full estep diesel engine, and both hull and engine are in good condition, and that if the Department would permit of the sale of the "Olympia #2" to Braekke that the "Marmae" can be requisitioned in her place. The "Marmae" is already under seizure as of December 12, 1941.

There is another important reason why the "Olympia #2" should be allowed to be sold to Mr. Braekke and that is that my client, having carried on a substantial business, as you can appreciate on the fact that it is the owner of 5 of these large diesel boats, has incurred substantial liabilities which cannot be met out of any of the charter money which will be returned from any of these boats, because the greater part of this money will be absorbed first in paying the bills of putting these boats into condition and my client is being pressed by some of its creditors and it has felt that in fairness it should be allowed to sell one of these boats so that it can put its financial position in order by meeting the demands of its creditors. I trust that you will be able to make some recommendation which will be of assistance in straightening out the difficulties which I have set forth above.

There is another matter to which I would like to direct your attention as affecting my client and which will no doubt prevail in respect to other Japanese boats and Japanese owners and that is the question of when should the charter hire of certain boats commence?

On December 12, 1941, the seizure order was issued and since that time the Naval authorities have been using my client's ships the "Barclay Sound" and the "Western Maid" for towing purposes in assembling other Japanese craft and I think the same applies, since December 23, 1941, in respect to the "Olympia #2". This was strenuous work and no doubt my client's boats have suffered by reason of being engaged in this work, but it was not until December 31, 1941, that the "Barclay Sound" and the "Western Maid" were requisitioned and until January 14, that the "Olympia #2" was requisitioned.

These requisitioning telegrams request that the owners advise the Director of Marine Services of the date and hour

the vessels have been handed over. It is impossible for my client, theowner, to do anything with respect to handing the vessel over because it is already under seizure and in these 3 cases, under use.

I would respectfully suggest that in the case of the "Barclay Sound" and the "Western Maid" the charter hire should commence from December 12, 1941, and in the case of the "Olympia #2" from December 23, 1941.

These dates become of importance because the Government assumes the loss from the date the vessel is taken over and my client would be free from the obligations to insure as of that date and this, you will appreciate, is a very important matter and should be settled so that there will be no possible danger of my client suffering a loss in the event of the owner cancelling his insurance on the date the requisitioning telegram is received which I presume would be the date the boats would be handed over, in view of the fact that the boats are already under seizure.

It is my understanding that both these matters come within the jurisdiction of your Board and I shall be glad to receive any ruling or any suggestions which your Board may be able to give at this time.

Yours truly,

WCT:MP

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Vancouver, B.C.,

Jan. 16, 1942.

W. Chandler Thomson,
Barrister,
Rogers Bldg.,
Vancouver, B.C.

Dear Sir:

Re: Union Trading Co. Ltd.

I have your letter of 15th January which will be considered by the Committee as rapidly as possible.

Yours very truly,

(Snd) "Sydney Smith"

C
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UNION TRADING COMPANY, LIMITED

C/O UNION BOAT WORKS

VANCOUVER, B.C. July 2nd, 1942

W.C. Thomson, Esq.,
Barrister & Solicitor,
Rogers Building,
VANCOUVER, B.C.

Dear Mr. Thomson:

We are enclosing herewith copies of information respecting the M/V "Barkley Sound" and M/V "Western Maid", as furnished Mr. W.G. Stickney, Secretary, of Valuation Committe for Requisitioning Board.

We shall communicate with you as soon as we have advice from Mr. Stickney as to when the Board will deal with the matter of arriving at a valuation of these vessels.

Yours very truly,

UNION TRADING COMPANY LIMITED

AS/B

Per:

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Particulars of:

M/V "WESTERN MAID"

Owned by

THE UNION TRADING COMPANY LIMITED

Now in

SERVICE OF NAVAL AUTHORITIES

This Vessel was built in the Spring and launced in June 1936.

Length 50 Ft. over all - 13 Ft. Beam overall.

Cost of Construction:

Union Boat Works on Hull		$5,300.00
Atlas Engine Co. Ltd. 65 H.P. Medium Duty Diesel Engine		3,255.05
Cost of Installing Engine		
Auxiliary Engine Bilge Drainage & Pumping System		1,309.00
		$9,864.00
June 30th, 1937 - 7% Depreciation	$690.48	
June 30th, 1938 do	690.48	
June 30th, 1939 do	690.48	$2,071.44
		$7,792.56

1939
May 31st - 65 H.P. Medium Duty Diesel Engine was taken out and a new 50 H.P. Heavy Duty Atlas Diesel Engine Installed

Paid Atlas Engine Co. additional sum of $2100. for Exchange of Engines	2,100.00
	$9,892.56
Plus Shipyard Costs of Making Change	470.00
	$10,362.56
1940 June 30th 7% Depreciation	725.35
	9,637.21
1941 January 1/2 year depreciation @ 7%	337.30
	$9,299.91

Forward $2,299.91

1941
January — At this time the vessel was partially destroyed by fire and as her entire fore part had to be renewed the vessel was made longer by 4 ft. and the Sum of.....$4,300.00 was spent Of this amount the Insurance Co. Paid 3,200.00

Leaving a balance of 1,100.00 for cost of lengthening and several other betterments 1,100.00

$10,399.91

1941
June — The Vessel did not work until July 1st, 1941

1942
January — 1/2 Year Depreciation @ 7% per Annum 364.00

$10,035.91

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I, ANDREW SCOTT SMITH, of Vancouver, in the Province of British Columbia, make oath and say that the following is a true and accurate extract of statements made in the 1941 Income Tax Return, filed by the UNION TRADING COMPANY LIMITED, for the Twelve (12) months ending June 30th, 1941.

Name of Vessel	Year Acquired	Cost as at End Of Fiscal Year 1940	Added during Year 1941	Balance at end Of Fiscal Year 1941	Rate Percent Per Annum	Net Accumulated to 1940	Amount Charged for 1941
WESTERN MAID	1936	$6,010.00		$6,010.00	7%	$1,272.95	$420.70
BARKLEY SOUND	1940	---	$14,700.00	14,700.00	7% For Nine Months	---	771.75

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WITNESS

Dated at Vancouver
this 30th day of June, 1942

COPY

SCHEDULE OF FLEET

NAME OF VESSEL	AMOUNT OF INSURANCE	VALUE
D/B "MARMAE"	$11,000.00	$11,000.00
D/B "WESTERN MAID"	8,000.00	8,000.00
D/B "OLYMPIA NO. 2"	5,000.00	5,000.00
D/B "B.C. Pride"	17,000.00	17,000.00
D/B"WESTERN CHIEF"	11,750.00	11,750.00
D/B "BARKLEY SOUND"	12,750.00	17,000.00

This Schedule is attached to and forms part of Policy No. C-222 of the UNION MARINE & GENERAL INSURANCE CO. LTD. issued to the UNION TRADING COMPANY, LTD.

Seattle, Washington,
Dated July 2nd, 1941

COPY

PARTICULARS OF CHARTERS PAID FOR

Motor Vessels - "WESTERN MAID"

"BARKLEY SOUND"

VESSEL	DATE	NAME OF CHARTER	RATE	EARNINGS
"Western Maid	July 12th to Nov.11th 1941	Nelson Bros. Fisheries Ltd.	$17.00 per da.	$2,074.00
"Barkley Sound"	July 12th to Sept. 15th 1941	do	$21.00 per da.	$1,617.00
"Barkley Sound"	Sept 20th to Dec 8th 1941	East Coast Herring Fisheries	.50¢ per ton basis	$1,595.00

COPY

UNION TRADING COMPANY LIMITED

C/O UNION BOAT WORKS

VANCOUVER, B.C., August 1st, 1942

W.C. Thomson, Esq.,
Barrister & Solicitor,
Rogers Building,
VANCOUVER, B.C.

Dear Sir:

We enclose herewith the Certificate of Registry of the M/V "Western Maid", which you might kindly retain in your possession until the proposed sale of the vessel is consumated, as advised in our telephone conversation, the Certificate of Registry of the M/V "Barkley Sound" was left on the boat at the time she was taken over by the Naval Authorities.

Yours very truly,

UNION TRADING COMPANY LIMITED

Per: "A.S. Smith"

AS/B

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August 18, 1942

Japanese Boat Disposal Committee,
Marine Building,
VANCOUVER, B.C.

Dear Sirs:

In Re: Union Trading Company Limited and the ships "Barkley Sound" and "Western Maid"

In accordance with your request of a few days ago, I beg to inform you that I have now received instructions from Union Trading Company Limited to deliver to you a Bill of Sale of the "Barkley Sound" and a Bill of Sale of the "Western Maid", to be held by you until my clients receive the prices mentioned in the Bills of Sale, namely, in the case of the "Barkley Sound" $16,400.00 and in the case of the "Western Maid" $10,200.00.

These documents are beingsent to you to be held in trut until the purchase price is paid and in the event of failure to pay the purchase price within a reasonable time, that the documents will be returned on request.

I have in my possession the Certificate of the "Western Maid" which I will deliver to the Registrar of Shipping as soon as you advise me that you are in a position to pay the purchase price. The Certificate of Registry of the "Barkley Sound" was left on board the boat and must still be with the person in whose possession this boat is at the present time.

I should be glad if you would safely preserve these documents because the documents on the face of them would signify that the purchase price has already been paid and received, but you are aware of the fact that this is not the case, and it is for this reason that the documents are being sent to you with this accompanying letter of explanation.

I should be glad if you would acknowledge receipt of these documents.

Yours truly,

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JAPANESE FISHING VESSELS DISPOSAL COMMITTEE

1528 Marine Building,
VANCOUVER, B.C.

August 1942

Mr. W. Chandler Thomson,
Barrister-at-Law,
Rogers Building,
VANCOUVER, B.C.

Dear Mr. Thomson:

Re: "BARKLEY SOUND" and
"WESTERN MAID"

Referring to your letter of August 18th with which you enclosed executed Bills of Sale for the above vessels.

These we note are made in favor of the British Admiralty Technical Mission, whereas in fact, they are for the Canadian Services. Therefore, I have drawn up new Bills of Sale, showing the sale to "His Majesty the King as represented by The Minister of Munitions and Supply.

Will you kindly execute these revised Bills of Sale and return them at your convenience.

Our instructions from the Department are to forward the necessary invoices, which we shall prepare, Billof Sale and the Certificateof Registry in the case of registered boats. This Committee will assume the responsibility for the documents you forward and for the collection of the amounts involved.

In order to complete the documents required, we should appreciate receiving the Certificate you have of the "Western Maid". I note your remarks as to the Certificate for "Barkley Sound". It is probable that this is beingheld by the Commanding Officer, Pacific Coast, Commodore Beech, and we will take this matter up with him.

Yours very truly,

(Snd) "A.E. McMaster"

A.E. McMaster,
Executive Assistant.

AEM/PH
Encl.

COPY

August 20, 1942

Japanese Fishing Vessels Disposal Committee,
Marine Building,
VANCOUVER, B.C.

Dear Sirs:

In Re: "Barkley Sound", "Western Maid"
and Union Trading Company, Limited

I am in receipt of your letter of the 19th instant with enclosures. These have been executed and are being sent to you to replace the Bills of Sale enclosed in my letter of the 18th instant and upon the same conditions therein set forth.

I am enclosing herewith the Registry of the "Western Maid" which is being sent to you upon the same conditions as outlined in my letter of the 18th instant.

I shall be glad to receive the cheque representing the purchase price of these boats.

Yours very truly,

WCT:MP

P.S. I have corrected your Bill of Sale in respect to the spelling of the name "Barkley".

COPY

JAPANESE FISHING VESSELS DISPOSAL COMMITTEE

1528 Marine Building,
VANCOUVER, B.C.

August 20, 1942

Mr. W. Chandler Thomson,
Barrister-at-Law,
Rogers Building,
VANCOUVER, B.C.

Dear Mr. Thomson:

Re: "Barkley Sound", "Western Maid"
and Union Trading Company, Ltd.

This will acknowledge receipt of your letter of the 20th inst. enclosing the completed Bills of Sale in respect to the above vessels, and the Certificate for the "Western Maid".

We note your remarks with reference to the Registry of "Barkley Sound, and we have taken the matter up with the Commanding Officer, Pacific Coast.

These sales will be expedited as much as possible through the Department at Ottawa, and payment arranged accordingly.

Yours very truly,

(Snd) "A.E. McMaster"

A.E. McMaster
Executive Assistant.

AEM/PH.

C
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October 2, 1942

A.E. McMaster,
Chateau Laurier,
OTTAWA, Ontario.

Dear Sir:

In Re: Union Trading Company Limited
and the Boats "Western Maid"
and "Barkley Sound"

Upon telephoning to your office today to ascertain if there was any possibility of receiving now the pu rchase prices of these 2 boats, I was informed that you were in Ottawa, and I thought it would be well if I wrote this letter to you reminding you that this matter is uncompleted and that the time has expired within which it was contemplated the price would be paid, so that you might give the matter your attention while you are in Ottawa and in a position to discuss the matter with the authorities there.

Yours truly,

WCT/MP

COPY

JAPANESE FISHING VESSELS DISPOSAL COMMITTEE

1528 Marine Building,
VANCOUVER, B.C.

Nov. 11th, 1942.

W.C. Thomson, Esq.,
Barrister, etc.,
470 Granville Street,
Vancouver, B.C.

Dear Sir:

re: M/V "WESTERN MAID"
Union Trading Co. Ltd.

We are in receipt of information from the Commanding Officer Pacific Coast, Department of National Defence, Naval Service, that his records reveal a charge of Three hundred dollars ($300.00) against the "Western Maid" which had been agreed upon as deductible from the charter fees. Under the circumstances it will be necessary for us to collect this amount and remit it to the Department of National Defence.

Will you have the goodness to let us have your cheque for this amount at your earliest convenience.

Yours truly,

JAPANES FISHING VESSELS DISPOSAL COMMITTEE

Per:

(Snd) "A.E. McMaster"

HSD/t

COPY

November 13, 1942

Japanese Fishing Vessels Disposal Committee,
Marine Building,
VANCOUVER, B.C.

Dear Sirs,

In Re: M/V Western Maid and Union Trading Company. Limited.

I beg to acknowledge receipt of your letter of the 11th instant. My understanding of this matter was that this $300.00 was to be deducted by the Department from the Charter Hire of this boat.

On December 31, 1941 the Director of Marine Services in his wire of that date requisitioned the "Western Maid"-- "For hire on bear boat basis and terms of Charter Hire will be determined later".

Recently we attended before the Appraisal Commission of which Mr. Justice Sidney Smith is Chairman, and presented the necessary figures required by that Commission to determine the Charter Hire for the months that this boat was in use by the Naval authorities. To date, in so far as we know, the Charter has not been determined.

Surely the Commanding Officer Pacific Coast, Department of National Defence, Naval Service, is overlooking this fact when he has instructed you to collect this $300.00.

We would ask you to allow this matter to stand until we get the ruling on the Charter Hire for this boat, because under the telegram, she certainly was requisitioned for hire and this $300.00, it was agreed, was to be paid out of the Charter monies.

We are also taking this up with the Director of Marine Services at Ottawa, I should be glad if you would let me know if you are prepared to let this matter wait the determination of the Charter Hire.

Yours truly,

WCT:MP

COPY

CHATTELS

December 17, 1941

Commanding Officer of
Pacific Coast,
ESQUIMALT, B.C.

Dear Sir:

In Re: Union Trading Company, Limited

I am enclosing herewith a copy of a letter which I have this day sent to Commander Smith of the Naval Control Board.

Yours truly,

WCT:MP

EXHIBIT No. 1396-3 (21 sheets).
DATE 26 June 1949
FILED BY
W. C. Thomson

C
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December 17, 1941

Commander Smith,
Naval Control Board,
Marine Building,
VANCOUVER, B.C.

Dear Sir:

In Re: Union Trading Company, Limited

In pursuance of the discussion which I had with you today, I beg to inform you that I am the solicitor for the above named company who is the owner of the following fishing boats.

"Barclay Sound"
"Western Maid"
"Olympia"
"Marmae"
"B.C. Pride"

The last 2 named boats are under charter to Nelson Brothers Fisheries Limited and are manned by a white crew, which arrangement has susbsisted for some months in the past, and these boats have never at any time been manned by a Japanese crew. The other 3 boats, I understand, have been taken possession of by you under instructions from Ottawa, and the "Barclay Sound" is tied up somewhere in the vicinity of Steveston. My client informs me that in the case of the "Barclay Sound", considerable gear has been improperly removed from this boat and it has been respectfully suggested by my client that the boats be tied up at their wharf so that they could see to it that no gear was removed from the boats. For instance, in the case of the "Barclay Sound" a great many feet of cable was on the deck and this has been removed, but by whom, my client is unable to say, but in view of the fact that these boats are under your control, we presume that you will know what has been removed from these boats and by whom.

We also understand that the "Marmae" is being used by your department for towing purposes and we presume that some compensation will be allowed for this vessel while it is used in this manner.

It is my understanding that your instructions have

been to take possession of all vessels owned by persons of Japanese origin but the report from your investigator will have disclosed the fact that these boats are owned by Union Trading Company Limited which is a British Columbia Company and that this state of affairs has existed for some years and is not merely a set-up for the purpose of evading any possible ruling of this kind. The report will also show that theowner of the shares in this company is one Andrew Scott Smith, a Scotchman who has been a shareholder of this company for years and also one Toyojiro Nakamoto who has been a naturalized Canadian citizen since March 1, 1922, and who by reason of this fact is not required to report to the Royal Canadian Mounted Police. Mr. Nakamoto has been in British Columbia since he was 16 years of age and he is now 49 years of age. The other shareholder is his wife who by reason of her marriage to a Canadian citizen is a Canadian citizen as well and she also has been in British Columbia the same length of time as her husband and they have grown-up children who were born in British Columbia and who talk no Japanese but very fluent English.

I have acted for this company for quite some time and I have known Mr. Nakamoto and Mr. Smith in business for a number of years and I am informed by both of them that their business of Union Trading Company Limited or Union Boat Works have no ties of associations or affiliations with any Japanese Government business or affairs.

I also understand that all of these boats have been under charter with white crews working on them, the white crews being provided by the charters and consequently it would appear that if any improper or irregular things were likely to be done in respect to these boats it surely could not be done by the boats themselves but by the crews and these crews are in no way subservient to the wishes of dictations of this company or any of its shareholders or directors. These boats have never, at any time, been operated by Japanes crews.

Under all these circumstances, I would respectfully submit that these 5 boats be released from this seizure so that they may be returned to my client the Union Trading Company Limited, and put to useful employment either on behalf of the Naval authorities or in the fishing industry under an arrangement whereby the boats could operate under charter to one or other of the reputable fishing companies in the province.

I think I am safe in saying that the position of my client is much more favourable than that of the great

majority of Japanese boats which have been seized. I do not think that the property of this company come within the wording of the instructions which have been received from Ottawa in respect to Japanese boats. I shall be glad to hear from you.

I am sending a copy of this letter to the Naval authorities in Esquimalt.

Yours truly,

WCT:MP

P.S. I understand that the stuff mentioned as having been removed from the Barclay Sound applies to all these boats in your possession.

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January 3, 42

Commanding Officer,
Naval Department of National Defence,
Four th Floor,
Marine Building,
Vamcouver, B.C.

ATTENTION: LIEUTENANT COOPER

Dear Sir:

With reference to our conversation of this date respecting the motor vessels BARKLEY SOUND and WESTERN MAID and our request that we be permitted to haul these vessels on our Marine Ways before handing them over to your Department, we beg to advise that both of these vessels, but more especially the BARKLEY SOUND, are in need of considerable repairs to the hull caused by the fact that they have recently finished a strenuous Herring and Salmon fishing seasons.

In view of the fact that the charges for such repairs must be paid by the owners we are making the request that we be given a few days in which to do this work before handing the vessels over to your Department.

So far as the opening up of the engine for Steamship Inspection is concerned we agree that you can take the vessels to any yard whose estimated charges are reasonably right but we feel that any work which may have to be done on the engine and for which we, the owners, shall be expected to pay we should have the right of arranging to have the work done if we feel it can be done satisfactorily at a lesser cost.

Another reason why these vessels should be brought to our wharf is that they now have very considerable quantities of fishing gear on board which should be removed as it is

entirely useless for the purpose the boats are to be used by your Department.

We thank you in anticipation for your kind consideration of these requests and trust that we may hear from you at an early date.

Yours very truly,

UNION TRADING CO., LTD.

per:

AS/MN

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January 20, 42

Commander Smith,
Department of National Defence,
Naval Service,
Marine Building,
Vancouver, B.C.

Dear Sir:

We are enclosing herewith our invoice in triplicate for 1500 ft. of Galv. Wire Cable which was removed by Navy men from our m/v. BARKLEY SOUND on or about the 12th day of December, 1941.

Although a considerable number of other items were removed about the same time we have had no opportunity of taking inventory to enable us to arrive at just what articles have been removed or stolen from the boat but when the writer spoke to you on the matter of the wire rope you stated that you were cognizant of the facts relating to it so we will appreciate your assistance if you will kindly pass our invoice for payment in due course.

Yours very truly,

UNION TRADING CO., LTD.

Per:

AS/MN
Encl.

COPY

INV. #UT1.

January 20, 42.

TO: Department of National Defence,
Naval Service,
Marine Building,
Vancouver, B.C.

1942.

To	1500 ft. 5/8 x 6/24 Galv. Wire Rope,	
	Pcec Lubricated @ 19.50 c'	$292.50
	1 - 5/8" Galv. Anchor Shackle	.80
	1 - Wire Rope Patent Swivel	4.00
	3 - splices & hearts	5.00
		$302.30

E & OE

COPY

January 24, 42.

Naval Control Service,
Marine Building,
Vancouver, B.C.

ATTENTION: COMMANDER SMITH

Dear Sirs:

We are enclosing herewith copies of inventory of equipment taken over by your Department along with the motor vessel BARKLEY SOUND.

You will note that we have eliminated from the list one spare Nigger-head as this did not belong to the boat and was not our property and consequently with your approval, removed from the ship. You will further note that we have added a set of batteries, 32/VOLTS, which apparently were omitted but were on the vessel without doubt.

We have checked the equipment of the vessel against an inventory taken at September 25, 1941, and find the equipment as listed on a separate sheet to the value of $160.91 has been removed from the ship. The writer was on board this vessel just previous to the seizure by your Department on December 12, and it is quite positive that the equipment referred to was at that time still intact. At a later date the writer visited the vessel after she had been taken by your Department and was lying moored to a scow in the Fraser River close to Steveston and found then that the Galley doors had been forced open, the vise in the Engine Room had been sawed from the work-bench and tools, Galley equipment, fire equipment and many other pieces had been removed.

We will esteem it a favour if you will kindly advise us to which Department of the Government we must appeal to for reimbursement of this loss.

Yours very truly,

UNION TRADING CO. LTD.

Per:

AS/MN
Encls.

COPY

January 29, 42

Naval Control Board,
Marine Building,
355 Burrard Street,
Vancouver, B.C.

Re: M/V WESTERN CHIEF

Gentlemen:

We had the above-named vessel chartered as a Herring Packer during the Herring Fishing Season in the Gulf of Georgia and when we took the boat over we placed on her towing lines as per the attached invoice, amounting to $102.00.

When the vessel was seized for internment we had no opportunity to remove our property and we understand from the owners that all the tow lines have been either removed by members of your Department or stolen from the ship.

We shall esteem it a favour if you will kindly investigate this matter and advise us to whom we should apply for restitution.

Yours very truly,

UNION TRADING CO., LTD.

Per:

AS/MN

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U.T. #2

January 29, 42.

TO: Naval Control Service,
Marine Building,
355 Burrard Street,
Vancouver, B.C.

1942

TOWLINES EX M/V. "WESTERN CHIEF"

1 COIL 65 FATHS. 1¼" P.M. ROPE 166# @ .25½	$ 42.33
1 COIL 65 FATHS. 1½" P.M. ROPE 234# @ .25½	59.67
	$102.00

COPY

May 30th 42

Commanding Officer,
H.M.C.S. "Givenchy",
Esquimalt, B.C.

Dear Sir:

We are advised by Commander Borrie, that our correspondence of January 29th relative to claims covering equipment taken from our M/V "Barkley Sound" and chartered vessel the "Western Chief", for $302.30 and $102.00 respectively, have been sent to you for attention.

We should esteem it a favour if you will kindly look into the matter as we would like to have payment so that final disposition may be made.

Yours very truly,

UNION TRADING COMPANY LIMITED

AS/B

Per:

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Celista P.O.,
B.C.

Aug. 5/42

W.C. Thomson, Esq.,
Rogers Building,
Vancouver, B.C.

Dear Thomson:

I received your letter of the 31st ult. relative to the sale of the "Barkley Sound" and the "Western Maid". As you state that the British Admiralty is purchasing them, it certainly would be unwise for me to object much as I dislike selling them.

I am enclosing the "Minutes" duly signed by myself and Mrs. Nakamoto.

About the loss of equipment on board the vessels, I certainly desire the amount to be paid to me. There is absolutely no reason why they would not be paid as the boat were delivering Herring for the British Government when they were seized. The "Barkley Sound" was tied up when the Government vessel men went on board and cut the cable. They acknowledged this fact and said they would pay the amount. Mr. Smith has all the necessary information about all equipment lost on the vessels. There are letters and such which acknowledges the cable loss. Kindly do all possible to recover this loss as I consider it very unfair for me to have to stand the loss.

Thank you very much for your kind regards to the family.

The very best regards,

Sincerely,

"T. Nakamoto"

C
O
P
Y

August 18, 1942.

Commanding Officer,
H.M.C.S. Givenchy,
ESQUIMALT, B.C.

Dear Sir:

In Re: Union Trading Company, Limited
and M/V "Barkley Sound"

I beg to inform you that I am the solicitor for the above named company.

On the 20th day of January, 1942, my clients sent to Commander Smith, Department of National Defence, Naval Service, Marine Building, Vancouver, B.C., a letter enclosing an invoice for $302.30 being the price of 1500 ft. of 5/8 x 6/24 Galv. wire rope, one anchor shackle, one wire rope swivel, three splices and hearts, all of which were removed by the Naval men from the M/V "Barkley Sound" on or about the 12th day of December, 1941, which this boat was taken charge of by the Navy.

My clients were later informed that this matter and the accompanying correspondence was turned over to you for attention, but to date the matter has not had your attention nor have we recieved any communications from you as to the present condition thereof.

I should like to know what your Department proposes to do with regard to this claim because the matter cannot be allowed to remain in its present neglected state.

On the 24th day of January, 1942, my clients sent to the Naval Control Service, Marine Building, Vancouver, B.C. a voucher for $160.91 representing goods and equipment aboard this ship that were on her when she was seized, and which were removed by your Department or some other person during the time when she was under seizure.

Commanding Officer, H.M.C.S. Givenchy August 18, 1942

In Re: M/V "Western Chief"

On the 29th day of January, 1942, my clients sent to the Naval Control Board at the Marine Building, Vancouver, B.C., a voucher for $102.00 for two lines which were aboard this boat when the same was seized by the Government and interned.

Our information is that these tow lines were removed from the "Western Chief" and used by the Naval Department in towing other ships for internment.

We understand that this matter has also been turned over to you for attention and on the 30th day of May, 1942, my clients wrote to you in respect thereto, but have not received from you any acknowledgment or report about what your Department intends to do about these claims.

I trust that you will be able to let me have a reply and a report on this matter within the next few days.

Yours truly,

WCT:MP

PHP/LH

In Reply Please Quote
No. G.2-23.

DEPARTMENT OF NATIONAL DEFENCE

NAVAL SERVICE

H.M.C.S. "GIVENCHY"
Esquimalt, B.C.,
21st August, 1942

Dear Sir:

With reference to your letter of 18th August, 1942, the question of claims for missing gear in Motor Vessel "BARKLEY SOUND" was forwarded to the Chairman of the Japanese Fishing Vessels Disposal Committee, Vancouver, B.C., in February, 1942. The claim with regard to Motor Vessel "WESTERN CHIEF" was forwarded to the same authority in June, 1942.

The Japanese Fishing Vessels Disposal Committee was, at that time, the authority for settling these claims. In the meantime, I believe, they have turned over these matters to the Custodian of Enemy Property.

Yours truly,

"James McCulloch"

COMMANDER, R.C.N.,
Commanding Officer,
Auxiliary Vessels.

W. Chandler Thomson, Esq.,
Rogers Building,
470 Granville Street,
Vancouver, B.C.

C
O
P
Y

August 25, 1942

Union Trading Company, Limited,
Foot of Bedwell Street,
VANCOUVER, B.C.

Dear Sirs:

In Re: Claims for lost equipment on "Barkley Sound" and "Western Chief"

I beg to inform you that I have received from the Commander of the "Givenchy" a letter advising me that those claims did not come within his jurisdiction and are now under the jurisdiction of the Japanese Fishing Vessels Disposal Committee or the Custodian of Enemy Property.

I have just returned from seeing Mr. Murphy, probably Commander Murphy, of the Japanese Fishing Vessels Disposal Committee who knew nothing whatsoever about these claims and forthwith he took me in tow to Commander Smith who, according to Murphy, is solely responsible for the settlement of these claims. So you see, after a period of 7 months of vassalation and procrastination we arrive back at the door-step of the unfit, blundering dunderhead Commander Smith who has no more idea of how to run his job than an infant of 5 years of age; a big, fat, porpoise-like fellow who is living in the past.

Upon arrival at Commander Smith's office we find much to our amazement that the Commander is on his 14 day vacation. So you see even the Navy is operating on a peace time basis.

I think the truth of the matter is that the man is absolutely unfit for the position and in all probability has been forced to take a holiday before becoming a mental case.

I will put this matter forward in my Diary for 14 days from now.

In Mr. Murphy's opinion we have a justifiable claim on the wire rope, although he was not as sanguine about the others.

Yours truly,

WCT:MP

C
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P
Y

December 10, 1942

Japanese FishingVessels Disposal Commission,
355 Burrard Street,
VANCOUVER, B.C.

Attention: Captain Murphy

Dear Sir:

In Re: Union Trading Company, Limited

In further reference to the variousconferences which I have had with you about the claim of my clients for reimbursement in respect to wire rope and Manilla rope and other equipment taken from the boats of my clients, I am now enclosing herewith the following documents.

1. A voucher dated January 20, 1942, for 1500' of wire rope, etc. for $302.30.

2. A certified copy of the Invoice of Marshall Wells Limited for the purchase of this rope at the price of $277.87 on September 16, 1941 --in other words, the wire rope was 4 months old.

3. Voucher dated January 29, 1942, in respect to the tow lines of the "Western Chief", pure Manilla rope, $102.00.

4. Certified copy of Invoice from Union Boat Works for the purchase of this tow line for $102.00--certified voucher dated October 3, 1941. This Manilla rope was new.

5. A voucher dated January 23, 1942 setting forth a list of the equipment missing from the "Barkley Sound" since the time of seizure on December 12, 1942. You will notice that this latter notice does not contain any galley equipment which was also missing, and if we are able to make an immediate settlement in respect to the enclosed vouchers and the amounts thereof, my clients will consider abandoning any claim in respect to the galley equipment which was missing and which was included in our previous vouchers.

Japanese Fishing Vessels Disposal Commission,

December 10, 1942

None of this equipment referred to in these vouchers was removed by us and allof it was taken over and used by and still is in the possession of the Government or the Naval Control Services.

I trust you will appreciate the fact that this matter has been unnecessarily held up and delayed by reason of some apparent conflict of authority between the Naval Control Services and your Committee and I trust that you will now close this matter with us without any further delay.

Yours truly,

WCT/MP

COPY

JAPANESE FISHING VESSELS DISPOSAL COMMITTEE

1528 Marine Building,
Vancouver, B.C.

Dec. 11th, 1942

W. Chandler Thomson, Esq.,
Barrister-at-Law,
Rogers Bldg.,
470 Granville Street,
Vancouver, B.C.

Dear Mr. Thomson:

We have your letter of December 10th relative to the Union Trading Company's claims for alleged loss of equipment from the M/V "WESTERN CHIEF" and M/V "BARKLEY SOUND".

The Committee transferred all uncompleted claims and in fact all our records, to the Custodian of Enemy Property, RoyalBank Building, Vancouver, on November 30th. I am, therefore, sending your letter with attachments to the Custodian for his attention.

Yours truly,

(Snd) "A.E. McMaster"

A.E. McMaster
Executive Assistant.

AEM/T

enclosures.

COPY

December 12, 1942

A.E. McMaster,
Executive Assistant,
Japanese Fishing Vessels Disposal Committee,
355 Burrard Street,
VANCOUVER, B.C.

Dear Sir:

In Re: Union Trading Company Limited
and Western Chief and Barkley
Sound

I wish to thank you for your letter of the 11th instant. I hope that some day I will be able to definitely establish who it is that has jurisdiction to deal with these claims. First it was the Navy then it was the Japanese Fishing Vessels Disposal Committee, then it was the Navy and then back to your Committee again, then to the Custodian, back to the Navy and now back to the Custodian, allof which is very tiresome indeed.

Of course, I realize that if it had been in the hands of your Committee from the inception, it would have been disposed of by now.

Yours very truly,

WCT:MP

June 2 / 49

Received exhibits 1396-2
1396-3.

DC Lyon Co.

Union Trading Co. Ltd

~~Ask me Thompson if he has claim for~~

Returned

TELEPHONE MARINE 7722

W. CHANDLER THOMSON, B.A. LL.B.
BARRISTER-AT-LAW
NOTARY PUBLIC, ETC.

ROGERS BUILDING
470 GRANVILLE STREET
VANCOUVER, B. C.

May 6th, 1949

The Secretary,
Japanese Property,
Claims Commission,
Court House,
Vancouver, B.C.

Dear Sir:

In Re: Union Trading Company Limited

I am in receipt of your letter of the 5th instant and I would advise you that I am now confined to the hospital but I expect to be leaving in three or four days and this should give me sufficient time to recuperate and get ready to present this claim on the 2nd of June next at 10:00.

Yours faithfully,

WCT/g

February 2nd 1950.

D. T. Braidwood, Esq.,
506 Royal Bank Building,
Vancouver, B.C.

Dear Sir,

Re Claim #1396 - UNION TRADING CO.LTD.

Reference your letter of the 1st inst.-

Since this claim has been held to be outside the terms of reference, no decision will be delivered. I have prepared a report to the Governor-General-in-Council, which will be sent forward with the principal report. If the Council decides to award any compensation, presumably the decision will be communicated to the claimant by the Clerk of the Privy Council.

Yours truly,

HIB/W.

Sutton, Braidwood & Morris
SUCCESSORS TO
Reid, Wallbridge, Gibson, Sutton & Braidwood

Barristers and Solicitors
W. A. SUTTON D. T. BRAIDWOOD
C. E. MORRIS
O. J. HALL D. A. SUTTON

Telephone: Pacific 3464
Cable Address "Boufridge"

Yorkshire Building
525 Seymour Street
Vancouver, B.C.

February 1st 1950.

The Hon. Mr. Justice H.I.Bird,
Japanese Claims Commission,
Court House,
Vancouver, B. C.

Dear Sir:

Re: Case No. 1396 - Union Trading Co.,

At the hearing of this case your Lordship indicated that a decision would be forthcoming and as yet we have no information on same.

Would you kindly consider this matter in those cases you have held over for decision.

Yours very truly,

D. T. Braidwood

DTB/MS

TELEPHONE MARINE 7722

W. CHANDLER THOMSON, B.A. LL.B.
BARRISTER-AT-LAW
NOTARY PUBLIC, ETC.

ROGERS BUILDING
470 GRANVILLE STREET
VANCOUVER, B. C.

April 21, 1949

Japanese Property Claims Commission,
Court House,
VANCOUVER, B. C.

Dear Sirs:

I am in receipt of your letter advising me that the hearing of claims will be resumed on the 2nd of May. I will present the claim of Union Trading Company Limited at the next sitting of the Commission.

Yours truly,

W. C. Thomson
per M.W.

WCT:MW

5th May 1949

W.C.Thomson Esq
Barrister & Solicitor,
470 Granville St
Vancouver BC

Dear Sir -,

I have been directed to inform you by the Commissioner that the undermentioned claim will be heard at the Court House in Vancouver at 10 a.m on June 2nd next -,

Union Trading Co Ltd

Yours truly,

h

Secretary

April 23rd 1949.

W. C. Thomson, Esq.,
Barrister and Solicitor,
470 Granville St.,
Vancouver, B.C.

Dear Sir,

Re claim of UNION TRADING CO.LTD.

The Commissioner directs me to inform you that the above claim has been placed on the list to be spoken to on Tuesday, April 26th, at 10 A.M., the hearing to be held in the Appeal Court Room. Claims not spoken to at that time will be taken to have been abandoned, and will be struck out.

Yours truly,

A. WATSON

Per.

AW/W.

Cpy.to Mr.Braidwood.

TELEPHONE MARINE 7722

W. CHANDLER THOMSON
BARRISTER-AT-LAW
NOTARY PUBLIC, ETC.

ROGERS BUILDING
470 GRANVILLE STREET
VANCOUVER, B. C.

December 30, 1947.

The Commissioner,
c/o Office of the Custodian,
Royal Bank Building,
VANCOUVER, B. C.

Dear Sir:

In Re: Union Trading Company Limited

I beg to enclose herewith in duplicate a claim of the abovenamed company in the sum of $19066.33. I should be glad if you would acknowledge receipt of the same.

Yours truly,

W. C. Thomson

WCT:mg

enc.