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M. WWT

Sheils

FOLDER No.
100-17

MacMillan, H.R.
SPECIAL COLLECTIONS

PLEASE RETAIN
ORIGINAL ORDER

HRM DD

February 27, 1943.

Dear Mr. Marsh:

I have your letter of February 11th.

Question #1: You are answering.

Question #2:

Canadian White Pine Co Ltd - Vancouver,B.C.	....nil
British Columbia Plywoods Ltd " "	....$26.38
British Columbia Plywoods(Ontario) Ltd	....$16,025.00
H.R.MacMillan Export Company Ltd,Vancouver B.C.	..nil
H.R.MacMillan (Quebec) Limited	.....$6,247.00
Shawnigan Lake Lumber Co Ltd - Duncan, B.C.	.....nil
Northwest Bay Logging Company Ltd	.....nil

I would suggest that it be made clear that the plywood being sold for Canadian consumption is sold at prices in effect in September 1939, and that the lumber is being sold at prices in effect in June 1940 and that, owing to the rise in costs since those dates, there is an actual loss in these sales. The companies concerned would much prefer not to be forced to take this business.

Question #3: You are answering

Question #4: It is true that I have been prominently identified with the above-mentioned companies for the period they have been under the ownership of H.R. MacMillan Export Company Limited, but I have been absent from Vancouver for almost three years on Government war duty and during that period I have not taken any active part in management or sales.

Yours sincerely,

President.

Mr. John A. Marsh,
Special Assistant to the Deputy Minister,
Department of Munitions and Supply,
Ottawa,Canada.

M. WWII — WMS: G.K. Sheils

FOLDER No. 100-17

HRM D NP

February 24, 1943.

Dear Mr. Marsh:

Referring to your letter of February 19th, I think the following will give you the information desired:

(1) 97 cargo ships of 10,350 tons deadweight carrying capacity each, have been delivered to the Government, the dates of deliveries being as follows:

1	S S	Fort	Ville Marie	delivered	December 21, 1941
2	"	"	St. James	"	January 29, 1942
3	"	"	Churchill	"	February 21, 1942
4	"	"	Qu'Appelle	"	March 21, 1942
5	"	"	Nipigon	"	April 8, 1942
6	"	"	George	"	" 9, 1942
7	"	"	Tadoussac	"	" 18, 1942
8	"	"	Fraser	"	" 25, 1942
9	"	"	Louisbourg	"	" 27, 1942
10	"	"	Chambly	"	" 28, 1942
11	"	"	Good Hope	"	May 9, 1942
12	"	"	McLoughlin	"	" 20, 1942
13	"	"	La Maune	"	" 25, 1942
14	"	"	Abitibi	"	" 26, 1942
15	"	"	Alexandria	"	" 27, 1942
16	"	"	Camosun	"	June 2, 1942
17	"	"	Ellice	"	" 4, 1942
18	"	"	Chilcotin	"	" 6, 1942
19	"	"	Augustus	"	" 13, 1942
20	"	"	Lac la Ronge	"	" 18, 1942
21	"	"	Babine	"	" 26, 1942
22	"	"	McLeod	"	" 30, 1942
23	"	Prince Albert Park		"	" 30, 1942
24	"	Fort La Reine		"	July 8, 1942
25	"	"	Chipewyan	"	" 9, 1942
26	"	"	Bourbon	"	" 15, 1942
27	"	"	Pine	"	" 19, 1942
28	"	Gatineau Park		"	" 22, 1942
29	"	Fort Confidence		"	" 27, 1942
30	"	"	Pitt	"	" 28, 1942
31	"	"	Battle River	"	" 29, 1942
32	"	"	Stikine	"	" 31, 1942
33	"	"	Senneville	"	August 3, 1942
34	"	"	Pembina	"	" 6, 1942
35	"	"	Douglas	"	" 8, 1942
36	"	"	A-la-Corne	"	" 13, 1942
37	"	Kootenay Park		"	" 17, 1942
38	"	Fort Kootenay		"	" 18, 1942
39	"	Point Pelee Park		"	" 18, 1942
40	"	Fort Pelly		"	" 26, 1942

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41	S S	Mount Robson Park	delivered	August	27, 1942
42	"	Fort McMurray	"	"	28, 1942
43	"	Banff Park	"	September	3, 1942
44	"	Fort Maurepas	"	"	4, 1942
45	"	" Rae	"	"	9, 1942
46	"	" Simpson	"	"	11, 1942
47	"	" Liard	"	"	14, 1942
48	"	" Fork	"	"	19, 1942
49	"	" Norman	"	"	22, 1942
50	"	Jasper Park	"	"	24, 1942
51	"	Fort Gibraltar	"	"	26, 1942
52	"	" Reliance	"	"	29, 1942
53	"	" Rupert	"	October	5, 1942
54	"	" Vermillion	"	"	8, 1942
55	"	" Slave	"	"	10, 1942
56	"	" Paskoyac	"	"	14, 1942
57	"	" Wedderburne	"	"	16, 1942
58	"	" Cataraqui	"	"	22, 1942
59	"	" Thompson	"	"	24, 1942
60	"	" Hudson's Hope	"	"	26, 1942
61	"	" Souris	"	"	27, 1942
62	"	" La Montee	"	"	29, 1942
63	"	" Poplar	"	"	31, 1942
64	"	" Howe	"	November	11, 1942
65	"	" Brule	"	"	15, 1942
66	"	" Steele	"	"	16, 1942
67	"	" Concord	"	"	16, 1942
68	"	" Halkett	"	"	20, 1942
69	"	" Frederick	"	"	28, 1942
70	"	Port Royal Park	"	"	28, 1942
71	"	Fort Livingstone	"	"	29, 1942
72	"	" Franklin	"	December	1, 1942
73	"	" Yale	"	"	8, 1942
74	"	" Longueuil	"	"	8, 1942
75	"	" Tremblant	"	"	11, 1942
76	"	" Cedar Lake	"	"	12, 1942
77	"	" Mumford	"	"	12, 1942
78	"	" St. Francois	"	"	14, 1942
79	"	" Lajoie	"	"	16, 1942
80	"	" La Traite	"	"	18, 1942
81	"	" Anne	"	"	24, 1942
82	"	" Drew	"	"	29, 1942
83	"	" Lawrence	"	January	5, 1943
84	"	" Finlay	"	"	6, 1943
85	"	" Gaspereau	"	"	13, 1943
86	"	" Fairford	"	"	15, 1943
87	"	" Jemseg	"	"	22, 1943
88	"	" Rampart	"	"	23, 1943
89	"	" Meductic	"	"	30, 1943
90	"	" Walsh	"	"	31, 1943
91	"	" Frobisher	"	February	3, 1943
92	"	" Nashwaak	"	"	7, 1943
93	"	" Remy	"	"	15, 1943
94	"	" Charnisay	"	"	16, 1943
95	"	" Stager	"	"	17, 1943
96	"	" Grahame	"	"	19, 1943
97	"	" Buckingham	"	"	23, 1943

M. WWII — WMS: G.K. Sheils
FOLDER No. 100-17

1 cargo ship of 4,700 tons deadweight carrying capacity was delivered to the Government on February 15, 1943 as follows:

S S Rockwood Park delivered February 15, 1943

(2) All of these ships are in commission, with the exception of those which have been lost at sea.

(3) There are now in various stages of construction in Canada 58 ships of 10,350 tons deadweight each and 12 ships of 4,700 tons deadweight each.

(4) & (5) A ship of 10,350 tons deadweight measures 7,134 tons gross
4,243 " net

A ship of 4,700 tons deadweight measures 2,877 tons gross
1,655 " net

The total deadweight tonnage of the ships delivered is 1,008,650 tons, and the total deadweight tonnage of the ships under construction is 656,700 tons.

Yours sincerely,

President.

Mr. John A. Marsh,
Special Assistant to the
Deputy Minister of Munitions and Supply,
Ottawa, Canada.

97 x 10,350 tons each	=	1,003,950
1 x 4,700 "	=	4,700
TOTAL.....		1,008,650
58 x 10,350 tons each	=	600,300
12 x 4,700 " "	=	56,400
TOTAL.....		656,700

M. WWII — WM S. G.K. Shails
FOLDER No. 100-17

C
O NP
P
Y

HRM DD

February 19, 1943.

PERSONAL

Dear Mr. Sheils:

A few days ago Mr. C. L. Dewar, of this firm, sent to Mr. John A. Marsh - in response to a question - a statement of salaries paid to some of our high officials.

Some of these men are hired by arrangements with the British Admiralty, others by arrangement with Lloyd's, and the salaries of others was fixed by arrangements which we found it necessary to make in order to get their services; consequently there are considerable discrepancies between different men.

It would be very embarrassing if this information became public; therefore, I hope it will not be printed in any report of proceedings in the House, or published in any other places.

With kind personal regards,

Yours sincerely,

President.

Mr. G. K. Sheils,
Deputy Minister of Munitions and Supply,
Ottawa, Canada.

M. WWII — WMS: G.K. Sheils
FOLDER No. 100-17

H O DD

C
O NP
P
Y

February 18, 1943.

SECRET

Dear Mr. Sheils:

I have your letter of February 13th to which I have given considerable thought, after discussion with Mr. D. B. Carswell and seeking such information as was available.

The 16 berths in British Columbia (operated by 5 companies) - of which 8 are operated by the Burrard Dry Dock Company Ltd - will produce, as nearly as I can estimate, 70% of the 10,000-ton merchant ships to be delivered in Canada in 1943.

The very rapid production in Vancouver by the 3 firms operating in Vancouver is due to a great degree to the leadership provided, and plans production and distributed, by the Burrard Dry Dock Company Ltd.

Not only is it generally expected that these ships are necessary, but we have also after 18 months of effort in all directions with over 300 contractors and sub-contractors, got the production of steel, components, and supplies organized on the basis of delivery a complete set to Vancouver for a ship every three days this year. It would be very serious to do anything to interfere with the orderly progression we have finally established.

Sp far as I can learn, the first of these aircraft carriers will be delivered in July, and one will be delivered each month thereafter for 6 or more months.

Having in mind the sudden changes produced by war, one does not know whether or not the deliveries may increase or change without notice, or continue for a long time.

Admiral Evans and Captain Stanton informed me yesterday that they had been unable to learn enough about the ship that was to be turned over to them to be able to make anything more than a very loose estimate of the number of men required and the time required to alter each ship. The present estimate - almost without foundation - is based on 200 men for 6 to 8 weeks for each ship.

Experience with estimates has sometimes been very disappointing; therefore, having in mind the importance of these ships and the fact that the British Admiralty has not seen the plans of the ships, one must at least be prepared to handle the situation if it should develop that a larger number of men were required, or that the time required would be greater.

Everyone will agree that the work must be done. However, in order

M. WWII — WMS: G.K. Sheils
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to accomplish the least disruption to the important shipbuilding organization we have barely completed setting up and in order to do the work properly and in the least time, I feel that inasmuch as the work inevitably will be done in yards engaged almost entirely on our contracts, that the work should be under our supervision, with whatever assistance or advice should be secured from the Controller of Ship Repairs, or any other appropriate official.

There is the further advantage that we have a well-staffed and well-organized office in Vancouver, under the adequate supervision of Mr. Austin C. Taylor, devoted entirely to dealing with the three Vancouver companies, the one in Victoria, and the one at Prince Rupert, and with the numerous British Columbia component manufacturers - who may be required to manufacture some items for these conversions. We also have an office in Montreal thoroughly staffed to order steel, and to find sources for, purchase, and supervise the production of any kind of items for ships. It would appear that the use of these facilities would be a definite asset in expediting these conversion jobs.

If it should be decided that we are to take on responsibility for this work, my first inclination would be to try to find out how much work there is to be done, to make arrangements with Admiral Evans respecting the supervision of the work on the ground and, with theadvice of his organization in Ottawa, to endeavour to arrange with Burrard Dry Dock Company Ltd - who might do all of it and certainly would do most of it - to set up a department for this purpose, detach a head man with sufficient men from their building and repair operations to get it going on a proper scale, and to find a place to do it so that, while they might have to dilute the staff, their shipbuilding operations would not suffer through inadequate preparation to do both the building job and the conversion job at the same time.

It may be necessary to find berths outside Burrard Dry Dock Company's yard at which to do this work, as the berths attached to the shipbuilding yards in Vancouver are undoubtedly going to be crowded to their utmost capacity, and it is definitely going to retard progress to attempt to do too much work in one set of facilities.

Yours sincerely,

President.

Mr. G.K.Sheils,
Deputy Minister of Munitions and Supply,
Ottawa, Canada.

M. WWII — WMS: G.K. Sheils
FOLDER No. 100-17

HRM D NP

February 18, 1943.

Dear Mr. Marsh:

I have your letter of February 12th, reply to which has been delayed by my absence from the city.

I am sorry to hear that you are ill, and I hope that you make a quick recovery.

Dealing with the memorandum of February 11th, attached to your letter of February 12th, replies should be as follows:

(1) Your reply is correct
(2) " " " "
(3) (a) Your reply is correct
(b) " " " "
(c) I have not charged the Government with any of my living expenses incurred in the performance of my duties in Vancouver or while my head office was in Ottawa from June 24, 1940 to April 12, 1941, or while my head office has been in Montreal from April 13, 1941 to December 31, 1942 - the period covered by your enquiry.

I have charged the Government with my travelling expenses, telephone and telegraph and taxi expense incurred in the performance of my duties, and with only a portion of what I consider necessary entertainment expense. The amounts are specified hereunder:

Travelling expenses while away from Ottawa or Montreal or Vancouver on official duties	$3,958.48
Telephone and telegraph	709.80
Taxis	203.70
Business luncheons and dinners	500.01
TOTAL	$5,371.99

(4) Your reply is correct
(5) " " " "
(6) " " " "
(7) " " " "

Yours sincerely,

President.

Mr. John A. Marsh,
Special Assistant to the
Deputy Minister of Munitions and Supply,
Ottawa, Canada.

M. WWII — WMS: G.K. Shails
FOLDER No. 100-17

TRAVELLING EXPENSES PAID TO H. R. MacMILLAN

DURING THE YEARS 1941 AND 1942

BY W M S Ltd

TE	MEALS	HOTEL OR LODGING	TRANS-PORTATION	AUTO HIRE	TIPS & TOLLS	TELEG.& L/D CALLS	LAUNDRY	TOTAL
.941	$200.50	$161.64	$721.32	$78.50	$65.05	$196.97		$1,423.98
1942 (to Oct 31)	373.43	435.10	846.58	210.25	126.00	541.96	$ 1.18	2,534.50
	$573.93	$596.74	1,567.90	$288.75	$191.05	$738.93	$ 1.18	$3,958.48

M. WWII — WMS: B.K. Sheils

FOLDER No. 100-17

LIVING EXPENSES PAID TO H. R. MacMILLAN
DURING THE YEARS 1941 AND 1942

BY W M S Ltd

DATE	ROOM	MEALS	BUSINESS LUNCHEONS & DINNERS	TAXI	TEL & TEL	TIPS	PHONE TOLLS	LDRY	TOTAL
1941	$1,891.00	$484.66	$173.06	$64.65	$147.78	$50.10	$31.10	$91.04	$2,933.39
1942 (to Oct 31)	2,704.00	638.52	326.95	139.05	506.12	95.35	24.80	130.27	4,565.06
	$4,595.00	1,123.18	500.01	203.70	653.90	145.45	55.90	221.31	$7,498.45
			X	X	X		X		

M. WWII — WMS & G.K. Shiels

FOLDER No. 100-17

HRM D NP

February 16, 1943.

Dear Mr. Marsh:

I have your letter of February 11th.

I have telegraphed to get the information required for question 2. It may take a little time to prepare it.

I am a shareholder of the H.R.MacMillan Export Company Limited, which owns all the companies mentioned, but I own less than one-half of the shares.

I regret that I was absent from the office on February 15th because of a train being delayed all day by storms, and when I attempted to get you on the telephone today, you also were absent.

Yours sincerely,

President.

Mr. John A. Marsh,
Special Assistant to the Deputy Minister,
Department of Munitions and Supply,
Ottawa, Canada.

M. WWII — WMS: G.K. Sheils
FOLDER No. 100-17

HRM DD

January 12, 1943.

Dear Mr. Sheils:

I have received the attached letter, which is self-explanatory.

I am not anxious to make speeches, and I am quite desirous of conforming with Departmental policy. On the other hand, I know that I would never get a speech like this ready in time to submit it to you for your approval beforehand; therefore, I would like you to please let me know what you would like me to do.

With kind personal regards,

Yours sincerely,

President.

Mr. G. K. Sheils,
Deputy Minister of Munitions and Supply,
Ottawa, Canada.

M. WWII — WMS: G.K. Sheils

FOLDER No. 100-17