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The same day I sent a special communication to Mr. George Cowan, K.C., solicitor for the city of Vancouver, drawing his attention to the public notice concerning the investigation of the claims of the Chinese residents. I also had interviews with Mr. Tung Cheng-Ling, Mr. Owyang King, and Mr. Arthur McEvoy, who had been retained as counsel by the several claimants, and informed these gentlemen of the intended method of procedure at the inquiry which was to open on the following day. At the time of the occurrence of the riot in September last, the Vancouver Chinese Board of Trade, a body composed of the leading Chinese merchants, retained the services of Mr. McEvoy to assist in protecting the interests of the Chinese residents, and undertook all the work necessary in estimating the losses and preparing in detail statements of the several claims. Mr. Owyang King was deputed by the embassy at Washington to proceed to Vancouver and act as a special representative of the Chinese Government. While in Vancouver, Mr. Owyang King, with the assistance of the members of the Chinese Board and their solicitor, made a careful estimate of the actual and resultant damages sustained by the Chinese residents, and the amounts of the losses were set forth in individual declarations, notarial copies of which were forwarded to the Chinese Ambassador at London, and were by him transmitted, through the Secretary of State for Foreign Affairs, to the Secretary of State for the Colonies, by whom they were forwarded to the Canadian Government.

When the inquiry opened, Mr. McEvoy appeared on behalf of the Chinese Board of Trade and the several claimants. His Worship, Mayor Bethune, and Mr. Cowan, city solicitor, were present, but took no part in the proceedings. Notarial copies of the several claims, as presented through official channels, were put in by the solicitor on behalf of the several claimants. In presenting these claims Mr. McEvoy pointed out that although the number was considerable, several had been omitted, and asked if any such might be added. As my commission directed me to inquire into all losses, irrespective of whether claims for the same had been made or not, I intimated, as stated in the public notice, that I would be prepared to consider any claim which might be presented within three days of the opening of the Commission. Mr. McEvoy thereupon put in a few additional claims, and a day or two subsequently these were supplemented by another claim put in by Mr. J. K. Macrae, barrister, of Vancouver, on behalf of clients, Chinese residents of Vancouver.

The claims as presented through England amounted in all to \$25,774.61, of which amount \$2,568.98 was on account of expenses incurred by the Chinese Board of Trade, \$3,277.63 for actual damages, and \$19,928 for resultant damages. As amended by the addition of new claims and the alteration of amounts in certain of the original claims during the course of the inquiry, the revised total amounted to \$26,217.12, of which \$3,190.14 was on account of actual damages, and \$20,458 for resultant damages. In all there were 227 claims presented, 125 being for actual and 102 for resultant damages.

The sittings of the Commission were held at Pender Hall, Pender street, and the Commission sat continuously from the morning of Tuesday, May 26, to Friday, June 5, inclusive, with the exception of Sunday, May 31. In all 118 witnesses were examined, this number including most of the claimants, the Chief of Police, the Chief Inspector of Police, and one or two other persons. An opportunity was given to anyone who wished to do so, to appear before the Commission and make representations in regard to the subject-matter of the inquiry, irrespective of whether or not a request had been

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questioned in regard to insurance, and an examination made of insurance policies, where such existed, but in no case did it appear that the policies held by them were of such a nature as to entitle the claimants to any compensation from the companies with which they had insured.

In the case of the resultant losses, which were largely in the nature of business losses on account of the necessary cessation at the time of and days immediately following the riot, the accuracy of the several statements presented with the individual claims was vouched for by Mr. Owyang King, under whose supervision the same had been prepared. It was stated by Mr. Owyang King that in the preparation of these statements a careful examination of the books of the several claimants had been made wherever this was thought necessary or desirable. Before the Commission these statements, which related to business being done at the time of the riot, were tested by a comparison with the businesses of the several claimants, as actually existing at the time of the sittings of the commission, as well as by a comparison in each case with the total business of the year, and by a comparison of the business of one firm with that of others claiming like or different amounts. The claimants appear almost without exception to have exercised moderation and a sense of fairness in the amount at which their respective business losses were estimated. In only two cases was a claim made for losses beyond a period of six days. Some of the claimants took account only of losses on account of expenditure for the time during which their places of business had been closed, and omitted any reference to loss of profit during the same time. The only cases in which there was any real difficulty in ascertaining resultant losses was in the amounts claimed for payments to guards in protecting property and for boarding Chinese from different parts of the city, who took refuge in the dwellings of certain of the merchants during the time of the riot and the days immediately following. In assessing these losses, regard was had to the nature of the premises protected and the reasonableness of the number of persons alleged to have been employed or sheltered, and the amounts alleged to have been expended. Except in the case of restaurant keepers who lost some perishable goods, there were few claims for spoiled or damaged merchandise, and there were but one or two claims on account of loss of orders which it was alleged had been cancelled because of not being filled at the time of the riot.

It appears that during the time of the riot, the Chinese residents purchased a considerable quantity of firearms and ammunition. The claimants were quite frank in their admission that these weapons had been purchased for the purpose of defence, and would in all probability, have been used, had further unwarranted attacks been made upon them. As it appeared that there was no necessity for the purchase of these firearms, any amounts claimed for payment on this score were wholly disallowed, as were also sundry small charges for the purchase of lanterns, hose and the like, which some of the claimants alleged they had obtained as means of protecting their property in the event of incendiarism.

The evidence being concluded, I prepared a detailed statement of the amounts which it appeared reasonable to award to the several claimants on account of the actual and resultant damages. A copy of this statement is given as an appendix to this report. On Tuesday, the 9th June, I sent the following message, advising of the total

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amount of the losses, and recommending that in addition to the payment of this amount, the sum of \$1,000 should be allowed to claimants on account of legal expenses:

‘VANCOUVER, June 9, 1908.

‘HON. RODOLPHE LEMIEUX,
‘Minister of Labour,
‘Ottawa.

‘After careful examination into losses of Chinese residents of Vancouver, occasioned by anti-Asiatic riots, I find that total losses, including actual and resultant, amount to \$25,990. Claimants have been represented before Commission by counsel, who has materially assisted progress of inquiry. Would recommend that an additional thousand dollars be allowed to claimants on account of legal expenses, making as sum total of amount recommended for payment, \$26,990.

‘(Sgd.) W. L. MACKENZIE KING,
Commissioner.’

Having received, on the morning of June 11, a telegram informing me that the sums as recommended for payment had been approved by Council, and instructing me to inform Mr. Tung Cheng-Ling, attaché of the Imperial Chinese Legation, that the amount would be put in the supplementary estimates and paid to the claimants as soon as voted by parliament, I sent the following communication to Mr. Tung Cheng-Ling:—

‘VANCOUVER, June 11, 1908.

‘SIR,—I have the honour to inform you that having made a careful examination, under Royal Commission, into the losses sustained by the Chinese residents of the city of Vancouver, in consequence of the anti-Asiatic riots in September of last year, I have, as directed in my Commission, reported to the Governor General of Canada in Council the result of the investigation so far as relates to the total losses sustained, which I have estimated as amounting to \$25,990. I recommended that, in addition to this amount, the sum of \$1,000 should be allowed to the claimants on account of legal expenses.

‘I have pleasure in further informing you that I have to-day received from Ottawa a telegram stating that Council has approved the sums recommended for payment, and that an amount covering the same will be put in the supplementary estimates to be presented to Parliament at the present session, and will be paid to the claimants as soon as voted.

‘I have the honour to be, sir,
‘Your obedient servant,

‘(Sgd.) W. L. MACKENZIE KING,
Commissioner.’

‘MR. TUNG CHENG-LING,
‘Attaché to the Imperial Chinese
‘Legation of London,
‘Vancouver.’

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On the 13th of June I received the following communication in reply:

June 13, 1908.

'SIR,—I have the honour to acknowledge the receipt of your favour of the 11th inst., informing me that after having made a careful examination, under Royal Commission, into the losses sustained by the Chinese residents of the city of Vancouver, in consequence of the anti-Asiatic riots of September last year, you have reported to the Governor General of Canada in Council the result of the investigation so far as relates to the total losses sustained, which you have estimated as amounting to \$25,990, with the recommendation that an additional sum of \$1,000 be allowed to the claimants on account of legal expenses, and further informing me that you have received from Ottawa a telegram stating that council has approved of the sum recommended for payment, and that an amount covering the same will be put in the supplementary estimates to be presented to parliament at the present session, and will be paid to the claimants as soon as voted.

'I have the honour to inform you that I will communicate the contents of your note to our Minister at London, and I have no doubt that he will be much pleased at the result.

'In the recent inquiries conducted by you, I beg to state that, although officially, neither my colleagues nor myself could have been anything other than that of a spectator, yet personally we were much gratified by the fairness with which the inquiries were made, and for the many courtesies you have shown us we desire to express to you our high appreciation and sincere thanks.'

'I have the honour to be, sir,

Your obedient servant,

(Sgd.) 'TUNG CHENG-LING.'

'To Mr. MACKENZIE KING, C.M.G.,

'Royal Commissioner, &c.,

'Vancouver, B.C.'

I have made mention of the presence of Mr. Tung Cheng-Ling and other Chinese officials at the sittings of the Commission. Their presence was not only gratifying as an evidence of the appreciation by the Chinese government of the action of the Canadian government in instituting the investigation, but was also salutary as affording to the several claimants an assurance, if any such were needed, that their interests would be fully protected before the commission. I have pleasure in acknowledging their assistance and courtesies wherever opportunity afforded. I desire to make special mention of the important services rendered by Mr. Owyang King in the preparation of the several claims, and of the valuable assistance given the Commission by Mr. McEvoy, the able counsel who appeared on behalf of the several claimants. But for the forethought and good judgment exercised by Mr. Owyang King and Mr. McEvoy at the time of the riots, and in the preparation of the several claims, as well as in their presentation, the duties of the Commission would have been arduous indeed, and the time necessary for investigation considerably prolonged.

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In concluding this report I desire respectfully to bring to the attention of Your Excellency in Council a matter of serious significance and importance which was disclosed during the course of the inquiry under the present commission. In the investigation of the different losses, a claim was made for \$600 by each of two opium manufacturers on account of loss of business for six days, their places of manufacture having been closed for that length of time in consequence of the riots. I was somewhat surprised at the presentation of claims for losses in such a business. There does not appear, however, to be any existing legislation prohibiting the importation of crude opium, or its manufacture in Canada, and the only restraint upon the manufacture of that article in the city of Vancouver is the municipal regulation requiring the taking out of a license and the payment therefor of a fee of \$500 before the manufacture can be carried on within the city limits.

In ascertaining the basis on which the above losses should be computed, I went somewhat fully into the nature and extent of the business of the two concerns on behalf of which claims were presented. I also personally inspected the premises and saw the process by which the manufacture of opium is carried on. In the case of one of these establishments it was stated by the proprietor that he had been engaged in the business for a period of ten years, and was employing, at the time of the riot, ten persons; that his gross receipts from this source alone for the year 1907, totalled \$180,000; that his wage bill for the month amounted to \$485; and that his estimated net profit, for the year 1907, was \$20,000. This was after deducting \$5,820 for wages, \$1,080 for rent, and \$500 for license fee. In the case of the other concern, the proprietor stated that while keeping a small store, his main business was that of carrying on the manufacture of opium, in which he had been engaged for a period of twenty-one years; that he was employing, at the time of the riot, nineteen persons; that his gross receipts totalled between \$170,000 and \$180,000 for the year 1907; that his wage bill for the month amounted to \$1,525; and that his estimated net profit for the year 1907 was \$15,000, after deducting \$18,300, wages, \$1,800 for rent, and \$500 for license fee.

Both manufacturers stated that they sold to white people as well as to Chinese and other Orientals; that the opium was consumed in different parts of the Dominion; and that, in addition to their own factories, there were three or four other opium factories in the city of Victoria and one in New Westminster, all of which were doing an extensive business.

Regarding it as an anomaly that the Government of Canada should, under any circumstances, be held bound to make good pecuniary losses in an industry so inimical to our national welfare, and having regard to the discretion given me by my commission, I feel it my duty respectfully to submit that the operations of the opium industry in Canada should receive the immediate attention of the parliament of the Dominion, and of the several legislatures, with a view to the enactment of such measures as will render impossible, save in so far as may be necessary for medicinal purposes, the continuance of such an industry within the confines of the Dominion, and as will assist in the eradication of an evil which is not only a source of human degradation but a destructive factor in national life. This industry, I believe, has taken root and has developed in an insidious manner without the knowledge of the people of this country. Its baneful influences are too well known to require comment. The present would seem an opportune time for the government of Canada and the governments