

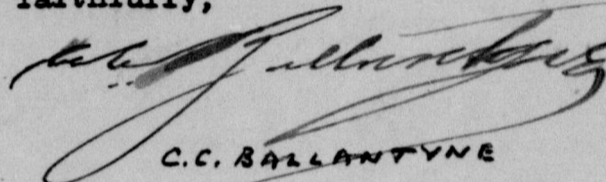
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to commence. I think you are mistaken in saying that the Admiralty distributed prize money some months ago to some of their own men; it is probable that the payments referred to by you are either prize bounty or salvage money. Prize bounty is an award for the capture or destruction of an enemy man-of-war in distinction to prize money which is an award for the capture of enemy merchant vessels. Prize bounty consists of a sum of money on the basis of £5. per head of each authorized member of the crew of the enemy vessel captured or destroyed. This prize bounty is distributed only to the vessels present at the time of the capture or destruction of the vessel in question. Prize money, on the other hand, is distributed to all those in the Service who have the necessary sea time without regard to the fact whether they actually took part in the capture of the vessels. Salvage money is a payment in respect to salvage services rendered by ships of war to merchant vessels.

I attach hereto for your information a copy of the regulations in regard to distribution of prize money.

Yours faithfully,


C.C. BALLANTYNE

W. L. Mackenzie King Papers

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