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DEPT. OF NAVAL SERVICE



OFFICE OF THE MINISTER

OTTAWA

19th April, 1920.

Dear Mr. Mackenzie King,

In reply to your letter of 15th April, the following is the practice in regard to distribution of prize money:-

In the first place prize money consists of the proceeds of ships and cargoes which have been condemned in prize courts as droits of the Crown. Against this fund is chargeable expenses incurred in connection with storage accommodation for cargoes and certain legal charges. There is one central prize fund for the whole Empire and the proceeds of prizes are put to this fund whether the prizes are actually taken by Imperial, Canadian, Australian or any other vessels. The fund is administered by a tribunal set up under the Naval Prize Act, 1918. Dominion navies share in the distribution of the prize fund equally with the Royal Navy. The distribution is made on roughly the following basis:-

The number of prize shares varies according to the various ranks and ratings, from 1000 shares to the Commander-in-Chief of the Grand Fleet to 3 shares for an Ordinary Seaman, Boy, etc. In order to obtain the full number of shares of the rank or rating held, thirty months' service afloat in an offensively armed man-of-war is necessary. For periods of service of less than thirty months a proportion of shares only is given.

The latest information available from the Admiralty in regard to time when distribution will take place is the spring of 1920. A cable was despatched from my department to the Admiralty last week asking when the distribution would be likely

Hon. Mackenzie King,
House of Commons,
Ottawa.

W. L. Mackenzie King Papers

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