



HEADQUARTERS

ADDRESS: COMMANDANT, U. S. COAST GUARD  
AND REFER TO No. CG-P KAIULANI  
Comp. MISC. MIN

## UNITED STATES COAST GUARD

WASHINGTON

19 December, 1942

CONFIDENTIAL

MEMORANDUM

From: Chief Merchant Marine Personnel Section.  
To: Chief Intelligence Officer.

Subject: Panamanian barque KAIULANI,  
Misconduct of Crew.

Reference: (a) Letter from District Coast Guard Office,  
San Francisco, Cal., dated 25, November, 1942.

Enclosures: (A) Reference (a)  
(B) Unsigned letter dated 21, August, 1942.

1. It is recommended that the identities of the crew members involved in reference (a) be established and the necessary ships taken to report those persons who are not bona fide seamen to their respective draft boards.

2. Ultimate return of enclosure to Merchant Marine Personnel Section is requested.



H. T. JEWELL

*File  
noted  
D*

*none of articles  
or names of crew  
in Headquarters  
2-15-43*



UNITED STATES COAST GUARD

CG-P KAIULANI  
Comp. MISC. MIN

Date: 19 December, 1942

Memorandum for: Commandant

Via: Captain [unclear]

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## UNITED STATES COAST GUARD

 425 CUSTOMHOUSE  
 SAN FRANCISCO, CALIF.

 OFFICE OF  
 DISTRICT COAST GUARD OFFICER

25 November, 1942

**CONFIDENTIAL**
 Vice Admiral R. R. Waesche  
 U. S. Coast Guard  
 Washington, D. C.

Dear Admiral Waesche:

An American three-masted bark sailed out of here sometime ago, her name now is the KAIULANI. Prior to that she was the STAR OF FINLAND, and prior to that, or originally, she was the KAIULANI. Built by Sewall's of Bath, Maine, for an Hawaiian account for the sugar trade years ago, and from the islands to here.

She was recently purchased by the General Steamship Company and loaded lumber at Gray's Harbor for South Africa, thence for Australia.

Her crew forward were all, or nearly all, college boys and her captain was not so hot. She has had all kinds of crew trouble since departure, all brought on by the crew who all developed into sea lawyers and reds of the worst stripe.

The General Steamship Company is one of our finest operating companies here, and Mr. Scott is one of the finest of men, and of very high principles.

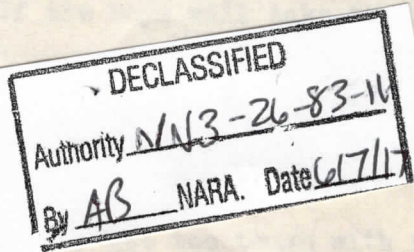
I enclose a letter from one of her people, I don't know who, or what, he is. I am sending it on to show you what some of the shipping people are up against.

When some of these boys relatives heard that they were in jail, they asked to see the correspondence, and after seeing same, said: "Let them stay in jail, it is all they deserve, and will do them good."

**RECEIVED**

Yours,

DEC 4 1942

 C. C. McMILLAN  
 MARINE INSPECTION SECTION  
 U. S. COAST GUARD  
 WASHINGTON, D. C.
**CONFIDENTIAL**



August 21, 1942

Dear Homer and Vera,

Without going into great detail, I will jot down a few thoughts as they occur to me regarding the difficulties the boys are in. I spent nearly all day Wednesday with Company officials getting the picture as clearly fixed in my mind as is possible at the moment, studying their files, letters, cablegrams, etc.

The greatest grievance seems to be wages, and wages since Dec. 7 are frozen and under the control of the United States Maritime Commission. The Company has to abide by the scale set up by this Commission and worked out for ships of Panamanian Registry from Hobart to South America and from South America to Seattle. They have agreed to pay Paul \$205 a month; Tom, \$185 a month from Hobart to the States. This would include a 100 per cent bonus for sailing time, and a 50 per cent bonus for time in port. Apparently the boys have refused to take the boat out under such an arrangement and there was nothing the Company could do but have her tied up in midstream, Captain and three or four officers aboard. The rest of the crew are locked up in the care of the Australian Naval Authorities or are at least in their custody, which sounds the prettiest.

They made a quick passage from Durban to Hobart - 36 days - skirting the border of troubled waters in a zone that was so completely safe that Lloyds of London did not require one cent of additional insurance for the trip.

The ship will carry 250 tons of cargo and on this trip from Durban to Hobart carried only 36 tons of cordite, which I have checked with Naval authorities and they tell me it is as safe as sawdust. It requires a special type of detonator to explode, none of which were aboard; and, furthermore, a collision or even a torpedo making a direct hit would not explode it.

Why the boys made such a fuss about this stuff and the waters they had to pass through in route I can't, for the life of me, understand. They swung down close to the Antarctic circle and if Lloyds of London thought this was risky water they would have grabbed plenty of extra insurance they were entitled to collect.

Tugs are not available at all ports and the ports of entry for a sailing vessel are few and far between these days. The cargo from Sydney to Peru will be wheat and from Peru to the States will be either sugar or nitrates. If the boys will take the ship out, they can be home in about four months.

In my telegram to Paul I have suggested that they forget their troubles and agree to go aboard and take the ship out as quickly as possible. Whether they will do this is another thing and remains to be seen.

If they get too tough with the authorities, the Navy may take them over and send them out to the Solomon Islands to cool off just as they are doing with obstreperous seamen in San Francisco waters. This is war and



Page 2.

the Government doesn't monkey around with dissenters.

In all the history of the General Steamship Company, they have never had as much crew trouble as they have had with the crew of this ship and you can believe it when you look through the files of cablegrams running into thousands and thousands of dollars that have been exchanged by the master and owners regarding the antics of the crew dating from the time they were starting from Aberdeen, Washington. In the first place they admit the Captain was too easy for he felt he was dealing with college men, educated young fellows, that he thought he could manage and when they got out of hand he really had trouble. The old hands were bums of the usual type and, all in all, the lack of hard-boiled discipline got them all in trouble. Their cameras and sight-seeing jaunts meant more to them than the repairing of sail, repainting of ship, or putting things in good repair.

At Hobart they called for a survey of the ship and put the owners to several thousand dollars of additional expense. Apparently they did not mutiny, but when orders were given they would "yes" the Captain then quietly go about their affairs with no work accomplished -- something of the sit down variety. Instead of repairing the ship, some of these babies were hitch hiking and taking pictures on Company pay as they are doing in Hobart.

At Durban the condition of the ship was so lousy that before sailing the Captain had to hire a crew of Negroes to come in and clean and paint the ship. This, mind you, is all in the record. The gory details of the Aberdeen, Durban, Hobart brawls I must leave to your imagination. If this matter were ever aired in court or put in the hands of the United States Maritime Commission it will be a black mess for the boys, and one that they will have a hard time living down. Breaking contracts is a bad affair at any time and in time of War under the United States Maritime articles it is a serious business. It seems to me that it would be far better to finish the job and then by experience steer clear of such jobs in the future.

Mr. Scott and Mr. Hammond, owners of the Kaiulani, are very proud of it. Mr. Scott is President of the General Steamship Company and has a beautiful model built to scale setting before his desk in his San Francisco office, and the only one of such models that I could see in the entire office. They were proud of the young college crew which the Captain insisted upon against their better judgment, but as it has turned out they say "never again". They were concerned about their passage across the ATLANTIC and canceled that trip in favor of a less hazardous one. Mr. Scott said, "My God, we can't risk the lives of these young fellows in that water"; and he showed definite signs of the hurt inside at the way they have acted and the amazing demands they have made. It was an opportunity for the kids and in the eyes of these veteran seamen they wanted to make it a glorious experience for them. These men should have sailed under one of the old Line Captains of fifty years ago, it happens that those men would not stand for any of this monkey business. Just imagine that these kids would think that this Company would sacrifice their lives for a hundred thousand dollars insurance.



Page 3.

How much better it would have been had they finished the trip and walked into Mr. Scott's office to receive his congratulations and the bonus they had planned to give the crew. After what has happened, draw your own conclusions.

Contrast their actions with the treatment given young Newhall, the son of a San Francisco family, who was taken off the ship in Durban because of injury, given passage on an Atlantic Steamer which was bombed and sunk by a sub. Young Newhall was blown from the ship into the sea later picked up in a life boat after having received five machine gun wounds in his right leg. After 12 days in the life boat, he was rescued and returned to New York. The company paid all of his hospital expenses in Durban and New York; and after he returned to San Francisco, he walked into Mr. Hulme's office one day very grateful of the marvelous treatment he had received and the mother called and thanked Mr. Scott for his kindness.

As I have said in the beginning, I have jotted down the events of the day just as they occur to me and if I have presented an unclear picture, it is only because of the astonishing findings that were revealed to me. If you have any additional information from the boys and can read through the lines perhaps you can draw other conclusions.

It looks like some of the Reds in South Africa have gotten to these boys and fed them up with a bag full of tricks. One of the telegrams signed by the crew says, "We refuse to accept your malicious bribe", and this to a concern with one of the finest business reputations in the shipping game. It looks like the boys need plenty of good fatherly advice combined with a spanking and then be made to go and understand that Captains and shipowners are not to be trifled with. What do you think?

Contrast their experience for example with the conditions under which the boys in the fox holes of Bataan at \$21 a month have been treated. It just makes one furious when you think of it.

A copy of my telegram is enclosed and any messages you may wish to send will reach them thru Henry Jones Company, Hobart, Tasmania, shipping agents of the General Steamship Company in San Francisco.

"Happy Birth day"

Best regards,