

The Corporation seeks expert advice on price levels and marketing methods and acts in the public interest. Sales are distributed as uniformly as possible across Canada. To prevent interference with employment, the Corporation sells through established trade channels or where, in accordance with recognized business practice it is usual for negotiation to take place direct, between producer and user, this practice is followed.

Three priorities are observed: the Federal Government, Provincial Governments, and municipalities, including public and semi-public organizations such as educational and scientific institutions and hospitals.

From time to time, as miscellaneous used materials and equipment useful for domestic purposes appear in sufficient quantity, auction sales are organized, care being exercised to sell in small lots to attract the householder and keep away the speculator.

The sales organization operates through the following Divisions: Consumer Goods, Metals, Mechanical, Aircraft and Radio, Real Estate and Scrap. The Service Division includes Construction and Engineering, Warehousing and Traffic.

The Corporation established a Reclamation Depot at Valleyfield, Que., for the overhaul and repair of surplus military clothing, uniforms and boots, large quantities of which are in demand by the United Nations Relief and Rehabilitation Administration, the Canadian Red Cross and other international relief organizations. This operation began on a modest scale under the supervision of the Army Salvage and Disposal Board and is now a branch of the Corporation activities. The work has been expanding and it is anticipated that it will continue to do so for some time as rehabilitation progresses in Europe.

An agreement has been effected between the Governments of Canada and the United States regarding disposal of surpluses held in either country. By this agreement Canada buys immovables owned in Canada by the United States at an appraised valuation, and sells movables remaining in Canada for the account of the United States Government. The Corporation acts as appraiser of immovables for the Dominion of Canada; the United States appoints its own appraiser. Following acquisition, the Corporation becomes sales agent for the Crown. Negotiations are under way for a similar arrangement for the disposal of all types of Canadian-owned surpluses in the United States.

For the period from the inception of the Corporation, July 12, 1944, to the end of the fiscal year, Mar. 31, 1945, gross sales amounted to \$9,116,132. Prior to July 12, 1944, sales by War Assets Corporation Limited produced \$385,829, a grand total of \$9,501,961 for sales by both organizations to Mar. 31, 1945.

The list of materials disposed of by War Assets Corporation is lengthy, comprising thousands of items, including clothing, camp and barrack equipment, tools and materials used in wartime production, ranging from chemicals to steel and non-ferrous metals, and the thousands of items necessary in every type of industrial plant. Some surplus army vehicles have been sold, the majority being of civilian type; such sales have been made to dealers at established ceiling prices.

Sales include such unusual items as the damaged hull of a tanker which had lost its forepart when hit by an enemy torpedo. The afterpart contained engines in good condition and was purchased to be fitted with a new forward section and returned to service as a tanker. Surplus army and air force uniforms were dyed a dark blue, reconditioned and sold for relief purposes abroad. Army footwear was also repaired and disposed of for the same purpose.