

The economics of conversion and adaptation has affected a wide range of material placed with War Assets for disposal. Many of the machines and much of the equipment designed for war possess little, if any, peacetime use. This problem arose frequently when dealing with surplus aircraft. A proportion was sold for service outside Canada, and a limited number of types capable of conversion were sold to Canadian purchasers, while numbers of light aircraft were sold to flying clubs. However, most of the surplus aircraft was not licenseable in this country, therefore after all useful instruments and components had been removed, the carcasses and frames were offered at modest prices, but the cost to the purchaser of removal was frequently more than the cost to him of the frame. A large number of surplus wheels from aircraft and surplus aircraft metal found sale in centres where the material was used to make trailers and non-tractive factory trucks.

The merchandising policy of the Corporation provides for three classes of priorities: (1) Dominion Government Departments; (2) provincial government departments; and (3) municipalities, educational institutions and certain non-profit welfare organizations. When priority claims are satisfied the remaining surplus is sold through the branch offices of the Corporation to the normal avenues of distribution which supply the retail outlets. Generally, the wide range of consumer goods, a most comprehensive list, is dealt with in this manner, but the policy also provides for direct sales in such specific divisions as real estate, buildings, land without buildings, industrial plants, machine tools, machinery, aircraft, ships and in such matters where transactions are usually undertaken by principals in personal negotiations, or through recognized brokers.

When goods of a specific trade mark become surplus and reach the Corporation, they are first offered to the original manufacturer. Used passenger cars and commercial vehicles declared surplus by the Armed Services were sold to agents of the manufacturers. This policy was expanded when surplus used army trucks became available and a considerable proportion of these were sold by agricultural federations to farmers who guaranteed that these vehicles would be used on their own lands.

A large number of military transport vehicles, dump trucks and chassis with ambulance bodies were disposed of by the Corporation through the Canadian Export Board for the use of the United Nations Relief and Rehabilitation Administration and shipped to Europe and Asia.

To assist relief work in many lands under the welfare administration of UNRRA and recognized national relief organizations, a large volume of used naval, army and air force uniforms and used footwear no longer required by these Services, was dyed, repaired or remodelled for civilian requirements at War Assets Corporation Reclamation Depot, Valleyfield, Que. It was then sorted and sized and, when packed, was sold to relief organizations through the Canadian Export Board. The total of these sales has been considerable, but the unit cost of clothing and footwear has been at a moderate level, enabling relief organizations to obtain much needed clothing more cheaply than would be possible through the usual channels.

A considerable volume of machinery, equipment and tools of many types, buildings, furniture, and scientific and laboratory equipment has been acquired by the Department of Labour for use in the vocational training of war veterans. Similar equipment in lesser volume has been sold to educational institutions for the same purpose, and other useful material, aircraft and aircraft engines, has been placed in care of schools and colleges on indefinite loan for instructional purposes.