

night or so. Meanwhile we have been and still are continuing to dispose of them under a temporary agency agreement, by which all sales are duly reported and accounted for.

" (4) A cancellation claim arising from the termination of contracts placed with this Company and later cancelled, is in the course of preparation, and when completed, will be forwarded to the Department through Wartime Shipbuilding Limited.

" (5) At the "Anglo Plant" surplus buildings are being declared to Crown Assets Allocation Committee, other buildings will be retained for use by the Morton Company and by War Assets Corporation, some others will probably be torn down to restore property leased to us and now urgently required by Canadian Import Company Limited. In this way certain leases by which this Company has hitherto been bound will be annulled or at least reduced in amount. War Assets Corporation will take off our hands much of the warehouse space which we have been renting from the National Harbour Board.

" All other capital equipment of the "Anglo Plant" will either be acquired by the Morton Company or declared as surplus to the proper authorities.

" (6) The Morton Company is submitting a list of capital assets and equipment supplied to it under Capital Assistance Projects in the name of this Company, and which are now surplus to its present and future requirements. This list of surplus will be duly reported, very shortly, I hope.

" (7) The operation of a Steam Plant, owned by National Harbour Board, formerly operated by Anglo-Canadian Pulp & Paper Mills Limited, and inherited by this Company under the terms of the most recent amendment to our contract with His Majesty, will be taken out of our hands as soon as possible, by arrangements shortly to be concluded with National Harbour Board and the Morton Company.

" (8) When, through proper reporting and disposal of the above inventories and responsibilities, all these assets have been taken off our books, the remaining activities of Quebec Shipyards Ltd. will consist only of accounting, paper work, preparation of our lengthy cancellation claims, collection of Receivables, terminating the Davie settlement, the Morton settlement, and finalizing everything in connection with Anglo-Canadian advances.

" Our Security Force and Maintenance Crew will remain under our control until we have disposed of the inventories. That portion of our staff hitherto engaged on surplus disposal will be taken over, wholly or in part, by War Assets Corporation.

" Meanwhile the Morton Company has taken care that no materials are being purchased that can be supplied from surpluses here.

" Before many weeks, it is our hope, the accounting problems and paper work will be so reduced that we shall be able to take steps towards the surrender of our Charter.

" I count on no undue delays, always relying on a minimum of red tape in dealing with the various offices controlling the disposal of capital assets. We shall always be ready to ship, transfer or dispose of any surpluses as long as directions keep coming in. I can foresee no delays that could be imputable to us.

" Plans under study at present, would if found workable, release practically all of the Anglo outfitting dock (save certain