

As R.C.A.F. stores are returned to the No. 2 E Depot they are split primarily into two categories

- (a) those stores which are required by the R.C.A.F. for their own continuing use;
- (b) those stores which are surplus to their requirements.

In conjunction with the R.C.A.F., War Assets Corporation has just established a clearance team at the No. 2 Depot to take over and deal with the surplus which arises from day to day.

This surplus is now being segregated at the No. 2 E Depot and that which is scrap and is not saleable in its present form is sold on site and is not sent to warehousing. This effects a very substantial economy as can be visualized.

The balance of the surplus which is considered saleable by War Assets Corporation is then transferred to the two hangars at Boundary Bay and receipts are now being given to the R.C.A.F. for these shipments as they take place.

War Assets Corporation is therefore getting into a position where it can take an inventory of the material in the two hangars at Boundary Bay which was placed there by the R.C.A.F. prior to the establishment of the clearance team and the warehousing staff for these inventories, together with availability reports which arise from the operations of the clearance team at No. 2 E Depot at Vancouver. This material will be sent to the branch offices and made available for sale. This arrangement indicates the close co-operation between R.C.A.F. and War Assets Corporation, and is an indication that War Assets Corporation is accepting its responsibility as fast as it is able to obtain the necessary manpower and make its procedures effective.

Mr. REID: If I may be allowed to speak, Mr. Chairman, that report is at entire variance with the actual facts as I found them one week before I left for Ottawa, because I personally paid two visits to the Boundary Bay aerodrome. I checked it up with the War Assets Corporation in Vancouver. I asked those in charge in the Air Force and they said they had no War Assets official there. I asked in Vancouver and they said they had no knowledge or information of what was going on at Boundary Bay. The statement I made at the last meeting stands as is, that is, that the Air Force was taking this material and loading it. It would probably take three months or more, and after it was filled they would then transfer it to War Assets Corporation, but War Assets Corporation had no check. They had no man down there. Major Montgomery told me personally after I had visited him that they had no information as to what was going on at Boundary Bay. In view of the statement made by Mr. Berry I am challenging that statement right now, and that is according to personal information. It is not hearsay. The statement I made at our last meeting and the statement I am making today are not hearsay. They are statements on my responsibility as a member of parliament. If I have been misinformed through what the Air Force officials told me I will have something to say to the head of the Air Force when he comes before the committee, but I am putting it to you as the head of the War Assets Corporation at the moment, so as to keep the record in sequence and correct. The information given me by both your officials in Vancouver and the Air Force was that there was no official from your department taking check as to what was being loaded in there by the Air Force.

The WITNESS: Could I make one statement and ask one question? I should like to say that my statement I have just read was prepared in conjunction with the responsible officer of the R.C.A.F. who has knowledge of these facts. It is further borne out by a letter of instruction sent by the supply department manager of the War Assets Corporation to the regional supply manager at Vancouver. The date of that letter is March 15th. The question I would like to ask is who of the War Assets Corporation gave the member the information he has?