

grown up to employ 3,586 people as at February 28, 1946, excluding guards. The guards are supplied by the corps of commissionaires thus providing direct employment for veterans.

The supply department, in conjunction with the merchandising department, was faced last year with a particularly difficult task of superimposing a new system of handling surplus on top of an already existing procedure without stopping operations and sales. I am pleased to say that this difficult task has been accomplished, and the old system has recently been withdrawn and entirely replaced during a period in which sales have increased tremendously rather than diminished, as was feared might be the case.

The lands and buildings department which as a specialized operation is a separate entity from the merchandising department, has been expanded to take care of all buildings and land reported as surplus to the corporation. Operations are being conducted within this department in conjunction with officers of the Department of Reconstruction and Supply and other interested government departments so that industrial properties, and buildings capable of use for housing, are sold or used to the best advantage.

Other divisions or departments of the corporation, the comptroller, secretary, publicity, organization, personnel, overseas operations, and export have been built up during the past few months, and have kept pace with the development of our operations.

When I appeared before the Special Committee on War Expenditures and Economies, appointed during the last sitting of the House, I spoke of what the corporation would accomplish. I believe I can truthfully say that, not only have we done what we forecast—and we set ourselves a tough objective—we have done more. I remember mentioning a sales target of \$10,000,000 per month and a payroll of 4,000 people. Latest figures show a sales volume of over \$20,000,000 per month and a payroll of 5,053 plus 574 guards. Included in the payroll of 5,053 are 3,488 males, and of this total 45.8 per cent are veterans.

The CHAIRMAN: Thank you, Mr. Berry. Gentlemen, the witness is yours.

By Mr. Stewart:

Q. I would like to ask Mr. Berry a question arising out of the operations of the supply department. One of the functions of this department is to prepare an inventory of surplus in such form that merchandising will know properly what is to be sold. When the supply department go into a plant how do they proceed to put equipment into the various categories? In other words are they able to categorize everything quite adequately or is there a mass of stuff which it is not possible to put into any given category?—A. We have prepared and are just issuing a complete booklet—I think it will be about this thick (indicating an inch or more)—it is very closely written, and it describes every category in which all this stuff might fall. I will be able to present you with a copy of it when we have it printed. It may be a matter of a week or so before it would be printed. That would be the guide for the supply department to categorize all materials.

Q. I asked that question because so many of us have received requests from educational organizations to do the best we can for them to see they get a definite list of materials from War Assets. I am very sympathetic to that idea, and I would like to know what chance the various departments interested have of going into a building and checking up on just what they want. Will they have any particular priority on material when we get this particular item, whatever it may be; are they given any chance like that; or, is the surplus just stored or something of that sort?—A. The procedure, this is not yet fully developed, is operating in conjunction with the supply department, and under this procedure the supply department, segregate those items which are not