

the corporation is generally credited with having for sale any visible material which is in use by or in reserve or in storage for the use of other government agencies. This, of course, is not correct.

Upon War Assets Corporation falls the task of deciding how the physical disposal of surpluses will be undertaken, of establishing the price structure of sales and the channels through which sales will be made, providing always that such operations fall within the broad policies prescribed from time to time. It is the sole final disposal agency for Crown owned surplus in the custody of federal government departments or agencies classified as departments. The corporation is a Crown owned organization, but is subject to the applicable laws and regulations in respect of its operations in a similar way to any privately-owned corporation or company.

At this time may I refer to my own appointment. I was elected to the board and appointed president as of 12th of July of this year. On taking over, I found that the corporation, as a result of the experience it had gained during the comparatively brief period of its existence, had been constantly engaged in endeavouring to effect improvements in its system. The magnitude and complexity of the problems involved had been increased when the fighting in Europe came to an end, and it was apparent that further important expansions would have to be effected with the least possible delay. The reorganization deemed necessary had barely commenced when V-J day brought an enormously increased volume of surpluses which had to be handled concurrently with the loss of existing personnel and the introduction of additional newly appointed personnel and substantial changes in procedure. This reorganization has made good progress, but I would ask the committee to keep in mind that while every effort will continue to be made to complete it as quickly as possible, there is necessarily much still to be done.

To illustrate this point, I would mention here that gross sales for the first six months of 1945 totalled approximately 13 million dollars, while gross sales for the past four months have totalled approximately 23 million dollars. To build up the organization and at the same time increase sales to this extent is no mean effort on the part of the corporation, and the expansion in sales volume must increase at a still greater rate if we are to achieve our objectives.

In view of what I have said, I propose to deal briefly with the organization of the corporation; firstly, as it was on the 12th of July, and secondly, as it will be under the new set-up.

On the 12th of July, 1945, the corporation was operating with a president and a headquarters executive group, and a sales and service organization. Six specialized sales divisions had been set up, with chiefs of divisions each responsible for his specialized activities, namely, real estate, consumers goods, durable goods, mechanical, aircraft, steel. Under a director of services, there were three divisions, namely, construction and engineering, warehousing and traffic. Division chiefs were located at the headquarters of the corporation in Montreal. Within the divisions, there were numerous sections, each under a section head.

Branch sales offices, twelve in number, had been established in:—

Halifax	Port Arthur
Moncton	Winnipeg
Montreal	Regina
Ottawa	Calgary
Toronto	Edmonton
London	Vancouver

In addition, the corporation had an agency in Newfoundland, a representative in the United Kingdom, and contacts in the United States.