

concentrated in one area, national distribution is arranged if considered economically advisable. Similarly, when supply in a region exceeds demand, efforts are made to dispose of unsold surpluses in other regions. After domestic requirements have been taken care of, surpluses are offered for export sale.

Three priorities are observed:

- (1) Federal Government departments and agencies;
- (2) Provincial Governments;
- (3) Municipal Governments and public organizations, such as hospitals, schools.

The Corporation continues to operate on the principles that speedy disposal is desirable, that domestic preference must be maintained where possible, (even at lower prices than obtaining for export), and that uniformity of procedure is necessary in the branches scattered across Canada.

Close liaison is maintained with Canadian universities and Provincial Departments of Education with a view to making available to non-profit educational institutions, on a basis of indefinite loan, certain equipment and material which have been declared commercially non-saleable, but have educational value.

Organization

War Assets Corporation has five principal departments:

1. Supply Department
2. Merchandising Department
3. Lands and Buildings Department
4. Organization and Personnel
5. Comptroller's Department

Supply Department

The Supply Department receives surplus Crown-owned property from the Crown Assets Allocation Committee and from contractors of the Department of Reconstruction and Supply. Property is inspected, classified and categorized for the Merchandising Department. When necessary, it is re-worked to put it into saleable form. It is protected and stored, and shipped as directed by the Merchandising Department. The Supply Department has seven main divisions:

- (1) Procurement Division: receives transfers of surplus property covering reports of surplus from Government departments and foreign governments.
- (2) Plant Clearance Division: receives declarations of surpluses and accept custody of them; inspects all surpluses, classifies and categorizes them and reports to Merchandising Department, and when necessary removes them to warehouses.
- (3) Warehousing Division: accounts for all surpluses shipped into warehouses; maintains accurate records of incoming shipments, outgoing shipments and inventory balances; provides adequate storage security and prompt shipment of surpluses sold.
- (4) Reclamation Division: salvages all surplus clothing, bedding and personal equipment, excluding mattresses and pillows; removes military buttons and insignia, dyes and repairs uniforms, salvages blankets, sheets, boots, etc. Salvage operations are carried out at Reclamation Depot No. 1 at Valleyfield.