

sion of that material either by order of the Minister of Reconstruction and Supply, or under its own steam. That is not the exact legal wording of the Act, but I think that is the essence of it.

Q. What is the proceeding for turning over surplus war assets; do the service departments notify you that they no longer want such and such articles, they are stored at such and such a place, come and take possession. What is the routine?—A. This goes back quite a ways, there is quite a long history attached to it. The War Assets Corporation until recently was not in a position to obtain personnel fast enough to take over all the surplus, that was reported surplus, as it was reported surplus.

Q. That is to take final possession?—A. To take final possession. Because of the expansion of our supply department and the organization of that supply department, we are now in a position where we are establishing our own warehouses in which our warehousing people can take in such things and carry out a classified inventory. We also have our clearance teams which go into a building and clear the material in that building and then ship it to one of our warehouses. This particular one at Boundary Bay is now to be a combined operation between warehousing and clearance. As I stated in my brief, the R.C.A.F. have now made available on loan two hangars at Boundary Bay which now will constitute War Assets Corporation warehouses, and at their No. 2 depot they are bringing in and consolidating in one permanent place everything they require for continued operation. We have at their No. 2 Depot a plant clearance team which segregates the stuff in the depot and ships some of the stuff to warehouse with us, materials that are saleable; anything that is not saleable they sell there instead of paying transportation to warehouses.

Mr. PROBE: Is that the outcome of a particular method?

The WITNESS: The start of that move is in this letter of March 15, which sends instructions from the head office supply department to the regional supply manager in Vancouver.

Mr. REID: Might I ask have you close cooperation now between your department and the officials at the airport at Boundary Bay, and have you a clearance team or any other kind of a team in there at the moment; and my second question is, has anything in Boundary Bay been yet declared surplus? Might I have an answer to those questions?

The WITNESS: I will get the answer to those questions, Mr. Chairman.

Mr. GOLDING: Mr. Chairman, I would just like to follow this through.

The WITNESS: Might I continue by saying that during the period where War Assets Corporation was not in a position to take custody of these surpluses as they were reported to the corporation, the forces used these warehouses to get that surplus out of their way, and you will find that they put this surplus into one of their buildings, or one of their hangars in the case of the air force, pending the time we could obtain people physically to take it over and find out what there is.

*By Mr. Golding:*

Q. Yes, but I would like just to follow this up. Is it not a fact that when you take over a school or a camp or any place of that kind that before you take it over it must first be declared surplus through the war allocations company.—A. Yes.

Q. And then if any government departments require any of those commodities or buildings they have a right to take them before they are declared surplus?—A. Yes, the custodian department only. And then what they do need is given to War Assets for disposal? Is not that the system which is followed?—A. That is very general.