

- (5) To seek expert advice from industry on price levels and marketing methods, but not to act on such advice at the expense of the public interest.
- (6) To distribute sales uniformly across Canada.
- (7) To sell abroad in harmony with other governments everything that becomes available abroad and that can be sold there.
- (8) To keep out the speculator.
- (9) To recover for the taxpayers, the original investors in these goods, the largest possible cash return upon their investment without interfering with the eight other points mentioned.

Experience gained by War Assets Corporation has proved the necessity of a certain flexibility in the interpretation of this basic policy. Specific policies on a number of types of commodities have been formulated. In spite of the unusual nature of the Corporation's task, good relations with industry in Canada have been maintained, and the principle of disposing of war surpluses with a minimum of interference with the normal economy of the country has won popular approval.

The task of the Corporation was unique for a number of reasons:

- a) It involved the disposal of large quantities of a wide variety of materials, many of which had been produced exclusively for war purposes;
- b) There were no precedents to guide in the matters of policy and procedure;
- c) The Corporation could sell only what was declared surplus and when it was handed over by the declaring agents to it for disposal;
- d) Because much of the goods to be sold had been produced under wartime conditions and because they were frequently located in out-of-the-way places, and also because a large percentage of them had been used to varying degrees, original costs were seldom a dependable guide to selling prices.

The Corporation, however, aimed at securing as near a market price as possible on all goods sold; as a trustee, it could neither give them away or sell them at a sacrifice; and in spite of extraordinary demands for some items in short supply, it was obliged to sell them within established price ceilings.

In most instances, wholesale outlets provided the shortest feasible route to the general public. Retail outlets were also used, and certain classes of goods went through the manufacturers in order to comply with safety regulations and to permit of overhaul before being put on the market. Where practice normally called for direct sales to the end user, as in the case of real estate, ships airplanes and certain production equipment, the normal practice was followed by the Corporation. The branch outlets permitted a broad decentralization of marketing activity.

Marketing

To expedite disposal and to keep transportation charges to the minimum, surpluses are offered first to the areas in which they originate. When large quantities of any particular commodity are