

### (15) In not acquiring the spare parts.

When the U.S. authorities offered the vehicles as per their letter of the 24th September they also offered to sell spare parts at published prices, plus 25 per cent. surcharge. However, when it was first decided that the New Zealand Government would not purchase the vehicles the U.S. authorities received instructions to ship the parts to the U.S.A. The parts were accordingly packed and transferred to the U.S. stores at Aotea Quay, Wellington. Shipping instructions were later cancelled, and the authorities again approached the Treasury with a view to purchase by the New Zealand Government. The General Manager was instructed to investigate the matter and report. The General Manager reported as under :—

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Wellington, 28th January, 1946.

Memorandum for—

The Secretary to the Treasury,  
Wellington.

#### M.T. PARTS OFFERED BY U.S. AUTHORITIES

WITH reference to the large volume of M.T. parts surplus to the requirements of U.S. Forces and which have been placed under offer to the New Zealand Government. These parts consist of G.M.C., Dodge and Jeep.

As requested by you I have investigated the matter thoroughly and I now strongly recommend that the parts should *not* be taken over by the Government for the following reasons :—

- (1) The quantities are excessive for all requirements for the models in New Zealand.
- (2) G.M.C. spares. There are approximately only 40 of these vehicles operating in New Zealand and the parts offering are in the main suitable only for the war model vehicles similar to those wrecks taken over and located at Seaview. In any reconditioning scheme there would be sufficient parts from vehicles beyond repair to supply necessary requirements. The sale of G.M.C. trucks is discounted by General Motors in New Zealand.
- (3) Jeep Spares. The same applies to Jeep as to G.M.C., and Jeep being a special war time vehicle, production has ceased for all time.
- (4) Dodge parts. Sufficient quantities of parts are already held in New Zealand for servicing these vehicles.
- (5) The fact that Army Department hold considerable stocks of Dodge, G.M.C. and Jeep parts must be borne in mind and stocks of these parts, both Lend Lease and non-Lend Lease will eventually become available. A very comprehensive schedule of Dodge parts has already been declared by Army (non Lend Lease) and it is certain that the New Zealand trade will not be able to use the quantities Army have for a very long time.
- (6) Quantities of individual parts are far in excess of requirements for the particular make of vehicle and could not be used for any other make.
- (7) A large quantity of ball-bearings are included in the stock. Timken type predominate and are not the popular sizes in good general demand either by the Motor Trade or by engineering firms for industrial work.
- (8) From information received there is still not full coverage in this huge stock to replace all the requirements for the vehicles the parts are made for. The parts in most demand are in the lesser quantities and the slow moving parts are much in excess of fast moving parts.
- (9) An example of excess is shown in the Dodge list where a very expensive item is scheduled. This refers to crankshaft assemblies. The quantity under offer is 226, whereas the normal stock requirements for New Zealand for four years is 5 only. This applies to many other items.
- (10) A very large quantity of bolts and nuts are included, all of which could be used for general purposes outside the Motor Trade but present holdings must come into consideration.
- (11) While many parts would be required the excess stock that would never be used must be actually wasted as it would be no good for any purpose whatever.
- (12) It would take months to even try to sort out the parts as they are at present stored and packed. The cases are not numbered and search for any particular item or items would be very difficult.
- (13) Apart from the purchase price, the cost of physically taking over, sorting, setting up, storage, cost of bins and general handling would be very high, and would not be compensated for by the amount of sales made for the first year or two.
- (14) Cost of upkeep would continue indefinitely and thousands of pounds worth of parts would never sell. Special staff would be required, both technical and clerical.
- (15) Munitions Department have issued schedules of surplus body parts for Jeeps and G.M.C. vehicles which are held in a finished and unfinished condition. These represent the remains of unfinished contracts that were in hand when the war ended. All these parts should be useful to prospective purchasers of the vehicles taken over from the U.S. Authorities.

(Sgd.) H. E. AVERY, Brigadier.

General Manager.