

### War Assets Realization Board

*Sale of Motor-vehicles.*—A sale of a large number of motor-vehicles bought by the New Zealand Government from the United States of America has received publicity, and the terms of it have been criticized; but as the matter is about to be the subject of a special inquiry no comments are made upon it here.

*Buildings.*—Inspections of the Wellington and Auckland offices disclosed that the records were inaccurate as to huts and buildings sold and on hand. All buildings taken over by the Board for disposal are immediately valued and buyers sought at the valuations. Where difficulty is experienced in finding buyers there is a danger that too large a portion of the value will be eaten up in caretaking and maintenance expenses or lost through deterioration. These remarks have particular application to prefabricated sections of tropical huts, which, in the first place, were built for the Pacific area and are now lying in Housing Construction Department yards at Auckland, Wellington, and Christchurch. The hut sections were declared surplus in August, 1944, but were then “frozen” by the Commissioner of Works for rural housing. Only a few issues were made for this purpose, and as long ago as 31st October, 1944, the Commissioner of Works stated, *inter alia*, “a recent inspection of the stocks indicated that there had been considerable depreciation in general, and particularly of the plywood components.” The book value of the huts held at Wellington is approximately £47,000, and the cost of running the yard for the year ended 31st March, 1946, was £1,347 10s. 3d.

*Method of Sale.*—The Board has adopted the policy of selling through normal trade channels. In the case of new goods “trade channels” has meant sale to wholesalers, and where there is a keen demand for the goods there may be question as to whether sale should not be made to retailers and the wholesalers profit be thus saved to the Board or to consumers.

*Miscellaneous Stores: Price Fixations.*—Advisory Committees have been set up by the Board for each class of goods for the purpose of fixing prices, and according to the procedure laid down no sales are to be made without the approval of a Committee. Audit inspection revealed that the procedure was not being adhered to in the section dealing with radio and electrical equipment, and some unauthorized sales were found. A number of what appeared to be irregular transactions were handed to the police for investigation, and it is understood a prosecution is pending.

### Nandi Aerodrome

This airfield was constructed by New Zealand on behalf of the United States of America at a cost of £1,212,341, of which £586,538 has been paid. New Zealand did not press for payment of the balance as the question of rights to airfields was involved, and decided to allow the matter to stand over for post-war discussion. Probably it has been dealt with by the Right Hon. the Minister of Finance in his recent negotiations with the United Kingdom Government in London.