7. CUSTODY OF STORES

Except for the purpose of housing-materials from dismantled camps and buildings, it was not originally the intention of the Board to set up a separate stores organization, all Government Departments being responsible for the holding, safeguarding, and accounting of the stores which they from time to time declare as surplus, but, consequent upon the purchase of the very large volume of stores from the United States Forces and the United Kingdom Government, it became necessary, and at short notice, to take over and staff a number of warehouses and stores at Auckland and Wellington. Following on the realization of a substantial portion of these stocks, much of the storage space has been, and is being, made available for other purposes.

8. SURPLUS STORES EX UNITED KINGDOM GOVERNMENT

Arrangements have been completed whereby United Kingdom surplus stores located in New Zealand have been purchased by the Board. Sales of these stores are proceeding satisfactorily.

9. SALES TO OVERSEAS ORGANIZATIONS

Sales to UNRRA, Netherlands East Indies, and other overseas organizations have been substantial, but have now practically ceased. Sales to 31st March, 1948, were as follows:—

			$\frac{\pounds}{479.971}$
 			104.787
 	• •		37,976
			£622,734
		• • • • • • • • • • • • • • • • • • • •	

10. FUTURE ACTIVITIES

The Board has now been in existence for a period of four years, but, apart from buildings and motor-vehicles, the machinery for the disposal of which was already in operation on the Board being formed, the orderly disposal of other commodities did not commence until nearly a year later. It is difficult at this stage to give any reliable forecast as to how much longer the Board should remain in operation. A decision in this connection will be influenced by several factors, some of which are dealt with in the following paragraphs, but it would appear that within a reasonably short period the volume of surplus stores may be reduced to such an extent that further disposal could be undertaken by the holding Departments or by a reconstituted Stores Control Board.

Although the revenue for the past year shows a substantial reduction on the two previous years, and the indications are that there will be a further heavy drop in the coming year (see para. 11), there is still a wide variety and considerable volume of stores to be disposed of. These consist to some extent of general slow-moving stores difficult to sell and of items which have a specialized military application only and which can be expected to realize only a fraction of their original cost. It is clear too that declarations of surpluses will continue, on a reduced scale, for some time yet from several Departments, the Services in particular.

The reception and disposal of considerable quantities of valuable reparations plant and machinery (see para. 18 (b)) is likely to be spread over the next twelve months.

The Board will keep the position constantly under review in the light of declarations and disposals and will adjust the staff and general organization to provide for any falling off in the volume of activity or to conform to changed conditions.