6. POLICY

The general policy of the Board as laid down by Cabinet is as follows:—

(i) To realize all assets to best advantage and by whatever methods the Board may determine from time to time as being in the best interests of the Dominion:

(ii) To transfer, by sale or otherwise, all surplus stores under its control, in the first instance to meet the requirements of Government Departments and the domestic requirements of New Zealand generally:

(iii) To make all surplus stores not required by the Government available for sale in lots of such size as to permit small business firms as well as large ones to participate in their purchase:

(iv) To investigate overseas markets with a view to sale of all stores which cannot be sold in the Dominion:

(v) To avoid the dumping on the market of surplus stores at bargain prices simply to get rid of them, without regard to the effect on normal trade, and also to avoid the other extreme of freezing or destruction of large stocks:

(vi) Subject to the provisions of clause (v), to dispose of the maximum quantity of stores, particularly of those items which are in short production, at the earliest possible date:

(vii) To determine selling-prices of all assets under control of the Board, and to ensure that no special concessions in prices be made except by direction of the Government.

The methods of disposal which have been adopted by the Board have been designed to achieve an orderly, rapid, and widespread distribution at fair market prices. The disposals programme has embraced the release and distribution of a wide variety of stores which were in short supply and has effected the expeditious transfer of plant and materials urgently required by Government Departments and industry generally.

Disposal procedure has been in accordance with the following:—

(*a*) Stores offered in the first instances to Government Departments and semi-Government organizations.

(*b*) Disposal through trade channels where possible, of commercial goods.

(*c*) Sale by tender.

(*d*) Sale by auction.

(*e*) Sale by private treaty, only in cases where such is the only practicable course.

Most Government Departments have taken full advantage of the opportunity to take over surplus stores and materials from the Board, particularly so in the case of buildings and building-materials, motor-vehicles, plant, and machinery.

Goods released for sale to the general public have as far as possible been distributed through normal trade channels. Existing distribution machinery has thereby been taken full advantage of. Neither the Board nor the holding Departments are in a position to conduct retail sales. However, the Board has dealt direct, where possible, with charitable and welfare organizations.

Almost without exception "new" goods are offered for sale by tender before resorting to auction. Sales by tender and auction are well advertised, sales by auction being dispersed by locations as far as possible, but in most cases auctions are conducted in the locality where the stores are held in order to avoid the labour and expense of transporting them. All sales are made as far as possible on an "as is where is" basis, the cost of handling and transport being thereby reduced to a minimum.