

commission. Sales in accordance with the above procedure have, to all intents and purposes, been concluded. Subject to the procedure as set out above, all remaining plant and machinery is disposed of by public tender or auction.

Although realizations of plant and machinery to date have been very substantial (a total of £1,561,942 to the 31st March, 1948), there still remains some considerable volume of mechanical plant and machine tools for disposal. In the main the items remaining for disposal are far less attractive than those offered in the past but it is expected that proceeds of realization will be satisfactory.

(b) GERMAN REPARATIONS

The Board is the responsible agent for the reception and disposal of the large quantities of machinery plant and machine tools acquired by the Government under the Reparations Agreement. The first shipments arrived in New Zealand late in 1947, and further shipments have arrived and are arriving at frequent intervals. Up to the 31st May, 1948, a total of 223 pieces of plant had been received, and approximately 1,200 more items are due.

Sale prices for this equipment are fixed by valuation based on current market-values. Up to 25 per cent. of the equipment is made available to Government Departments, the balance being offered for sale by tender. Sales up to 31st May, 1948, amounted to £45,000.

19. AIRCRAFT

A large number of aircraft of various types have been declared surplus by Air Department, including 193 Tiger Moths, 119 Oxfords, 490 combat machines, and 26 various, a total of 828.

Aero clubs have been given the opportunity of taking over reconditioned Tiger Moths at a flat price of £450 each. In this way 77 machines have been sold to twenty-six clubs up to date. A further 46 Tiger Moths (not reconditioned) have been sold by tender to individual buyers, realizing £6,441. The balance of 70 Tiger Moths are held in reserve in the meantime against further requirement of aero clubs.

Previous owners of aircraft purchased by Air Department have been given the opportunity of repurchasing any such machines. Up to date 19 sales have been made, realizing £6,520.

Combat machines and Oxford aircraft were sold by tender, resulting in a complete clearance. The combat machines realized £12,599 and the Oxfords £1,190.

The total revenue from sale of aircraft to date is £61,760 for 758 machines.

20. RADIO AND ELECTRICAL

The disposal of radio and electrical components and materials is handled by the Radio and Electrical Materials Advisory Committee operating under the direction of the Board. Apart from some auctions and direct sale to the public at a fixed price in some instances, disposal has been arranged through normal trade channels to traders and wholesalers approved by the Board, at prices based upon replacement cost of similar articles. This policy has produced excellent results and, through the co-operation of the radio industry, speedy and effective disposal of many lines has been effected. During the year it was realized that, as the radio industry had been reconverted to peacetime production and was no longer dependent upon the stocks held by the Board, a change in disposal policy was desirable, and it was decided that future sales would be effected by public tender and auction. The Board is, however, faced with the problem that most