

engines to see if they would turn by testing, one would hold the fan belts and the other turn with the fan to try and check if they would move. Some of the bonnets would not open. We looked at the tires, tried the engines, and the general appearance."

This examination took his foreman and himself two days, and details were taken down by a typist. This examination enabled him to put an approximate value on the trucks.

Vincent made a similar detailed examination and valuation of the Dodges, and both also speak of making a cross-section examination of the Jeeps in a few days.

This evidence is in marked contrast to the valuers' report. Also the statement in the report that a large area of land would be required for storage which was probably not available at Seaview is without justification, as there is a large area of vacant Crown land which inquiry would have shown to be available.

Warner admits that he knew that there had been an individual marking-up of the Dodges and Jeeps by Archibald, and there is also his evidence that he had made contracts of sale for 231 vehicles for £50,000 in four to five days. Then there is this curious passage in Warner's evidence when the valuers were discussing the draft report:—

I said that as we were making an excuse not to value the stuff it would look as if the report was inspired and we would all look foolish. What went through my mind was that if we valued that stuff the price that Gillies paid for G.M.C.s would look silly.

The three valuers then presented the report to the General Manager, and it was the subject of a social occasion.

Counsel severely criticized the report and the surrounding circumstances, and submitted that it was not a *bona fide* report, but more concerned with a vindication of the General Manager.

While the report certainly bears the imprint of special pleading and is discredited in so far as the Dodges are concerned, by the evidence of Gillies and Vincent as to the individual examination *in situ* made by each of them, the circumstances hardly warrant a positive finding as regards Cook and Bengé. But Warner's case is different. He knew an individual price had been placed on the vehicles by Archibalds, and he himself had sold a portion for £50,000. He would have better employed himself in embodying this valuable information in the report rather than in gratuitously concerning himself with the matter of bulk disposal, and he was guilty of a serious dereliction of duty.

The Board, then, was presented with this sterile and negative report, and, though it was stated to be a preliminary report, its whole tenor was that a worth-while valuation was not possible in a reasonable time, and it stressed the rapid deterioration of the vehicles. In these circumstances, as the Board had no reason to challenge the validity of the report, it can hardly be adversely criticized for recommending the acceptance of the highest tenders.

(13) In not selling the tires separately.

The evidence shows that this was not feasible. In view of the manner in which the trucks were parked it would have been a costly and difficult business to remove the tires, and in the process many would be damaged. The number of usable tires could not be ascertained until the trucks were shifted, and there was no organization or staff to carry out that work, and if the tires had been removed there would have been the problem of dealing with a still more immobile mass of trucks. It was not seriously suggested at the hearing that the tires should have been sold separately, and in view of the position above set out no complaint can justifiably be made against the Board or the General Manager for not so doing.

(14) In not selling the winches separately.

A similar position applied to the winches as regards access, and in this case there was also the question of limited demand which would have involved a long period for disposal.

A similar answer as above can be made to this question also.