

The amount claimed by the company (including the extra 10 per cent.) in respect of this additional equipment is as follows :—

	£	s.	d.
At Station 1YA, Auckland	1,286	16	7
At Station 2YA, Wellington	3,664	3	6
At Station 3YA, Christchurch	3,717	10	7
At Station 4YA, Dunedin	1,200	2	0
	<u>£9,868</u>	<u>12</u>	<u>8</u>

In respect of the above additional equipment I make a reduction proportionate to the reduction I have made in respect of transmitting equipment and towers.

This reduction for the extra equipment above mentioned totals £3,947 9s. 2d., leaving £5,921 3s. 6d. as the amount to be awarded as the price for such additional equipment. This amount I accordingly award.

The company claims £1,314 14s. 2d. plus 10 per cent. in respect of Section 5 “Machinery, plant, and tools” at the Head Office, Christchurch. I allow for the equipment in this section the sum of £1,117 9s. 11d.

The company claims £95 15s. plus 10 per cent. for a galvanized transportable iron shed. No evidence was tendered to question the value placed by the valuer employed by the company included in the schedule of claims, but the extra 10 per cent. paid to Harris and Co. would have no reference to this valuation. I award the sum of £95 15s. as the price for this item.

The company also claims the sum of £452 2s. 6d. plus 10 per cent. in respect of the “machinery, plant, and tools” at Head Office, Christchurch, Section 6. This I allow at £384 6s. 2d.

I allow for Section 7, “Miscellaneous equipment and spares,” in respect of which the sum of £2,562 6s. 4d. plus 10 per cent. is claimed, the sum of £2,177 19s. 4d., and award this price accordingly.

This disposes of the whole of the technical equipment taken over by the Department.

I shall now deal with the claims for “office and studio equipment” at the various stations, and also the sections dealing with musical instruments. So far as these classes of equipment were concerned, I had the assistance of evidence given at Auckland, Wellington, Christchurch, and Dunedin by experts in the various relevant trades. I do not think that the experts who valued on behalf of the Department gave due weight to the fact that the equipment was to be valued as part of a going concern. With reference to some items to which attention was particularly directed, some of the Department’s witnesses gave what was to me a more or less indication that in making their valuations they were unduly weighed by considerations as to what in their opinion the articles would realize if separately offered as second-hand and partly used articles. This was particularly the case with some of the Department’s witnesses who valued musical instruments.

It is difficult at the present time to find buyers for luxury items such as grand pianos, and some of the witnesses entirely forgot that the basis of selling and buying as a going concern postulated the existence of both a willing seller and a willing buyer. These witnesses could not dissociate from their minds the fact that the market for full-sized grand concert pianos is even at the best of times extremely limited, and they seemed to me mentally to approach the question of value as if the position were that a second-hand full-sized concert grand piano about 9 ft. or 10 ft. long had been taken into stock to await a possible buyer. One witness who had been many years actively interested in a very large piano business, admitted that his firm had never to his recollection sold a full concert grand piano. The company’s grand pianos were with, I think, one exception, specially imported. The goods in these sections were separately valued, and where wear or damage was apparent allowance was made for the same. The sections therefore have already been subjected to what the valuers for the company considered due allowance for depreciation, and the position is entirely different from that of other portions of the company’s assets where the basis was original cost. The company produced a considerable body of evidence of independent valuers to substantiate their claims in these two sections. The company’s claims in each of these sections are for the amount of their experts’ valuations plus 10 per cent. on such valuations. I do not consider that this 10 per cent. is claimable in these sections, because, as I understood the evidence of the company’s valuers, none of them claimed that an additional 10 per cent. should be added to the valuations they deposed to. I consider that if I make a deduction of 10 per cent. upon the company’s claims (exclusive of the extra 10 per cent. claimed) in these two sections I will be making to the Department full allowance for any possible unconscious enthusiasm for the people who employed them, on the part of the company’s valuers. In the case of two of the company’s concert grand pianos, the valuations exceeded original cost, and for this reason I am, in addition to a general 10-per-cent. reduction, making a special additional reduction of £200 on this account.