

valuers for the company, all of whom were independent, are reasonable, they having discounted topical records by 50 per cent., and all other records by 25 per cent. I think it also proved that the records are in first-class condition. For the reasons already stated, I reject the company's claim for the extra 10 per cent., but otherwise allow their full claim of £2,414 17s. 6d.

As to the claim for special recorded programmes which the Department submits are of no value, I think it proved that these have a very great value indeed to a broadcasting organization. These records, which were bought at a remarkably low figure, as compared with costs in the United States of America where they were produced, actually cost the company £3,155 12s. The company paid, in addition, the cost of sending its general manager to the United States of America for the purpose of procuring them, in view of the risk of the gramophone record companies prohibiting the broadcasting of their records.

I adopt as the fair price for the "special recorded programmes" the valuation of Mr. Francis—viz., £1,808 4s. 10d.

There remains for consideration only the company's claim for the unencumbered freehold interest in Station 2YA, Wellington, the amount of which claim is £7,000 plus 10 per cent.

In the first instance, an expert from the makers of the plant was asked to ascertain the most suitable site, and advised that Mount Victoria be selected. Subsequently the General Manager and the Company's engineer came to Wellington to investigate, and ultimately discovered that the land upon which the station now stands was privately owned and could be bought. After certain negotiations it was bought at a price, including costs, of £580. It was submitted that for certain reasons touching the site itself its accessibility to town and its accessibility to a city water reservoir, that nowhere in Wellington was such a suitable site available. I shall assume this to be the case. Mr. Harris says the company would have been prepared to pay £2,000 for this site if the owners had demanded it, and I have no doubt that the company would have been prepared to pay much more than it did. Evidence was given by land-agents supporting the claim that the land, owing to its unique position and suitability for broadcasting purposes, was worth the amount asked by the company for it.

It is not uncommon for a person who first conceives a new or more advantageous use to which a particular piece of land can be put to find that land and other land capable of similar use, much appreciated in value. Such would be the position if there were any demand for sites for broadcasting. But this business is a monopoly, and there can be no other competitors for such sites. It was nowhere suggested that hilltops in Wellington suitable for broadcasting purposes had acquired a special value as such. I do not think that I can allow in respect of the land more than its cost. Accordingly, therefore, I fix its value at £580.

The building is of ferro-concrete, and is specially built for the purposes of a broadcasting station. With the small building accommodating the men, it actually cost £5,700. The company claims £4,700 for the large, and £250 for the small one. Mr. Campbell, the structural engineer who designed the structural portion of the building, after a carefully made estimate, makes its present day cost £4,643 including the small building. Mr. Liddle, the supervisor for the Fletcher Construction Co., after an equally careful estimate, makes the present day cost £4,141 10s. 2d. plus 10 per cent. to cover architects' and clerk of works fees—a total of £4,555 13s. 2d. The small building is used only to house the operators, but its floor was specially heavily built to carry heavy machinery. The waterproofing on the roof, which is of light construction, is showing distinct signs of depreciation, but the building is otherwise undepreciated. The heavy flooring in the small building, and the roofing, call for some reduction.

I shall adopt Mr. Liddle's estimate with a deduction of £100 for these matters, and therefore fix the value of the two buildings at £4,455 13s. 2d.

My award in respect of the 2YA freehold property is therefore £5,035 13s. 2d.

A. W. BLAIR.

16th February, 1932.