

At the meeting of the 4th June a further letter was received from Archibalds' solicitors asking for refund of deposit, and it was resolved to adhere to previous decision, but to submit the matter to the Minister before replying. A full report was made to the Minister, and he approved of the Board's decision, and at the meeting on the 18th June this was recorded and Archibalds' solicitors notified accordingly.

Before proceeding to examine in detail the conduct and actions of the members of the Board and its officers it is incumbent to set out the task which confronted the Board and its knowledge of the various factors which had to be taken into consideration and endeavour to visualize the position as it then existed.

The transaction was a unique one involving some 2,000 motor-vehicles densely packed in a camp at Seaview, somewhat graphically described as a graveyard of automotive derelicts, and all in need of major repairs and reconditioning. These vehicles had been specially built for war purposes and were of limited use for New Zealand's transport needs. Mr. A. G. Langley, service manager of General Motors (N.Z.), Ltd., was in charge of the reconditioning of the G.M.C. trucks, which took place over a period from April, 1944, to September, 1945, when some 1,600 vehicles were delivered at the works by the Americans. Nine hundred and seventy-nine were reconditioned, and, allowing for vehicles which were totally scrapped when the reconditioning scheme ceased, there were some 400 left at the plant, and these were towed to Seaview. When the vehicles arrived they were generally incomplete—some minus some of the tires and small parts missing. It was perfectly obvious that they had been severely used and had been in salt water. Some tires, due to flaking and rust caused by salt water building up the size of the rims, had to be sent to a firm with special plant for removing tires. It was necessary to rebore about 90 per cent. of the cylinder blocks, and of the remaining 10 per cent. very few did not require any attention at all, and the rest were scrapped. Transmission and transfer cases, rear and front axles, and universal joints had all to be dismantled and rebuilt. It was absolutely necessary to completely recondition the electric system and generators on account of salt-water immersion or the damage which had taken place. All brakes had to be removed for relining and drums ground because of coral dust chiefly; 60 per cent. of the tires were usable again. They did not pay very much attention to the mileage, although they did pay attention when it was remarkably low. There was one with a mileage of 700, but they still had to completely recondition it. The mileage gave no true indication as to the condition of any particular vehicle. The 400 vehicles towed away were not in the same condition as when they arrived, as they had robbed a lot of the parts to recondition others.

Mr. E. J. R. Signal, assistant production manager, Ford Co., gave evidence as to the Jeeps. He had also seen them operating in the Islands, and said that all the vehicles would have some salt-water immersion and corrosion. At the beginning of the scheme 90 per cent. were reclaimed, and this dropped to 60 per cent. The original Jeeps which had operated in New Zealand, and also the earlier ones sent back, were in a lot better condition than those reclaimed latterly. Seventy-five per cent. of the cylinders were rebored, and piston rings replaced 100 per cent., also wheel bearings, frames, and springs were very rusty and corroded. All springs had to be taken apart and reset by a blacksmith, and the rusty or pitted ones to any extent were discarded. The best of the vehicles at all times were selected to recondition. The Jeeps, in the main, deteriorated in similar parts, and spares were supplied by the Americans.

Mr. R. T. Cadwallader, production manager of Todd Motors, said his company reconditioned between 500 and 600 Dodges between April, 1944, and September, 1945. The condition, generally speaking, was very bad, with much evidence of immersion in salt water. In a lot of cases 100 per cent. actual new parts had to go in, but the average would be about 60 per cent. Universal joints and brake tubes 100 per cent. had to be renewed. Engine cylinders, with exception of less than 10 per cent., and to be rebored. Carburetors had to be completely dismantled and rebuilt. On one occasion they had to tear down twenty-four differentials to get the parts to build three. The track is wider