

Mr. Goosman submitted, however, that there should have been a pilot auction of some vehicles to test the market. This, no doubt, would have weight if the vehicles had all been motor-cars or ordinary commercial vehicles in accessible condition, but such a sale of a few vehicles would not have solved the problem of disposing of the mass of material of the nature and condition in which it was in at the park. Only a proportionate part of the vehicles was merchantable, and the question of how many of this class could probably be disposed of had to be judged in the light of the trade outlook at the time as deposed to by responsible members of the trade, which outlook was then most lugubrious. The problem facing the Board and its duty was to have the whole mass, which was exposed to the weather and deteriorating, disposed of to the best advantage and to have the park cleared, and it has already been pointed out what a costly business was ahead in clearing the park of the useless residue. This witness had evidently not sufficiently addressed his mind to a comprehension of the circumstances and conditions obtaining at Seaview in December and January, and had the advantage of speaking in the light of after events.

My finding is that in this matter the General Manager and the Board exercised a sound judgment and discretion.

(b) In dividing the assets for the purpose of sale into the four lots into which they were in fact divided.

It has just been decided, as above set out, that the disposal in single units or small lots by auction was not practicable and, equally, such disposal by tender was not practicable, but the question remains whether the lots should not have been split up into smaller groups than was actually done and arising out of this whether sufficient consideration was given by the Board to such latter means of disposal. First, to deal with the question of adequate consideration at the Board meeting on 4th December, 1945, minute number 1380 sets out:—

4th December, 1945.

Minute No. 1380.

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Reference Minute No. 1325, the General Manager stated that reports had been received from the Commissioner of Transport and the Comptroller of Customs, and that the matter had been further discussed with Treasury. It was understood that Treasury had submitted proposals to the Minister that the Government should take over by way of purchase the whole range of vehicles for a lump sum of \$50,000.

The General Manager pointed out that if such purchase were made it would involve the Board's staff in a considerable volume of work and that it would not be possible to physically take over the vehicles earlier than the 20th January. He pointed out that there would appear to be only two methods of disposal as follows:—

(a) The Board to invite offers,

(b) The Board to sell by auction,

and he recommended that the first method should be adopted and offers invited for the whole range, or alternatively, for the complete range of each trade mark or in lots of a specified number of vehicles.

The report was received and further action deferred pending the decision of Government to complete the purchase.

Then at the meeting on the 15th January, 1946, minute No. 1453 sets out:—

It was resolved that disposal action be taken in accordance with Board Minute No. 1380.

Now the Minute No. 1380 was in the alternative, so that there is no actual record of what the Board decided, which has to be gathered from the subsequent steps it took in disposal.

The General Manager stated that, "in the light of Minute 1380, Minute 1453 is incomplete and probably ambiguous. I wrote the minute, so I accept the responsibility for the wording. I am quite sure, however, that at this meeting on the 15th January (Minute 1453, which has reference to the alternative methods which I proposed in 1380) the third alternative—the selling in lots of some approved number as distinct from selling the whole of each trade-mark or the whole bulk—was discussed by the Board, and we reduced it to the first of two alternatives. The sale of the whole range of each trade-mark eliminated the sale of smaller lots."