

From the cursory examination we have already made it is noted that many parts of the vehicles are missing, some vehicle parts are corroded right through with very heavy rust in places, and on others heavy laminated rust corrosion appears, and many tires are deflated, lying in water, and are perished, also many tires are missing.

Judging from the above condition of the vehicles we make a purely tentative estimate at this stage that three trucks would be required to get all the necessary parts to make one complete truck, but the estimate neglects the bodies which will require re-building in most cases.

We consider that the valuation can only be carried out by one of the following methods :—

1. A complete and thorough examination of each vehicle with a firm value placed on each.
2. A cursory examination of each vehicle with a purely estimated value placed on each.
3. A purely estimated bulk value of the vehicles as a whole by guesswork after viewing the vehicles 'in situ', or separated temporarily.

We would like to point out what is involved in valuation of the above three methods :—

*Method 1 : This is the only method whereby we can accept responsibility for an accurate valuation.*

Assuming that three valuers will be employed full time we will require three Army sheds in which to carry out the examination of each vehicle. This is necessary as the vehicles are laying in water in the Holding Park for weeks after rain and with the worst months of the year coming on it is obvious that a detailed examination of vehicles must be carried out under cover. Three mobile cranes with drivers and three labourers for loading each crane will be required. Six mechanics will be required to go over the vehicles and strip parts where required for examination. Typed reports would be required for each vehicle stating condition, faults, missing parts, &c. We estimate the time required to do this work with the above staff and equipment would be six months. We would point out, however, that when the vehicles are separated and taken off the park and the G.M.C. trucks belonging to Mr. Gillies, where they are present located, they cannot be taken back and stored in the Holding Park as there is not sufficient room to do this, nor do we think there is adjacent space in which to store these vehicles particularly as they would require sufficient space around them to allow prospective buyers to view them. Even if room were available for such spaced storage a considerable number of guards would be required night and day to prevent the vehicles from being robbed of parts.

*Method 2.*

This would be similar to Method 1 except that a cursory examination only would be made with three mechanics, three mobile cranes with drivers, three labourers, and three valuers employed. *No accurate valuation could be made by this method.* The estimated time for this work would be three months. The same remarks apply in this case as in Method 1 regarding insufficient room for the vehicles to be taken back to the Holding Park and spaced out for prospective buyers to view. Also guards would be required to guard the vehicles as in Method 1.

*Method 3.*

A. The vehicles can be separated temporarily by mobile cranes for quick examination for missing parts, &c., reports made out on each, and the vehicles replaced in their present locations. This method is entirely dependent, however, on Mr. Gillies agreeing to the Jeeps being lifted from, and replaced on his G.M.C. trucks. On account of the work involved, also the possibility of damage to his trucks, and as Mr. Gillies requests that the Jeeps be taken off the G.M.C. trucks as quickly as possible, we do not think he will allow this lifting and replacing of Jeeps after examination. Three mobile cranes with drivers, three labourers, three mechanics and three valuers required. Time required approximately 8 to 10 weeks, depending on the weather.

B. Alternatively, the vehicles would be viewed where they lie and examination of accessible parts only made by three mechanics and three valuers. It is stressed, however, that this examination would be most unsatisfactory as many parts are missing from underneath the vehicles and naturally these would not be noted by this method of examination. Time required 4 to 5 weeks in favourable weather.

C. As a further alternative a quick bulk appraisal only of the vehicles would be made 'in situ' by the three valuers alone, neglecting examination for missing parts other than those obvious to the eye. Time required 2 to 3 weeks, weather permitting.

In A, the examination would be most perfunctory with an estimated bulk value accordingly. In B and C, the bulk valuation would be by guesswork only. Accordingly all valuations in A, B, and C would be looked upon only as an indication or guide to the value.

We have pointed out the results that can be obtained and what is involved by the three methods of valuation of the vehicles and we would now be pleased to receive your direction as to which method the Board desires we should adopt.

Having made a cursory examination of the vehicles at Seaview we submit the following remarks for the consideration of the Board.

Many of the vehicles are very badly corroded with heavy rust, also a considerable number of tires are perished and rapid deterioration in all parts of the vehicles can be expected from now onwards with the wet winter months coming on.

It is therefore recommended that the vehicles be sold as quickly as possible before they further rapidly depreciate in value.