

to be both complete and accurate—that statement is correct. Some question has been raised with respect to the accuracy of the figures relating to the cost of the suite, and I will take immediate steps to have that checked down to the utmost detail. I might say, as far as this whole transaction is concerned, the Canadian National Railways and its officers regarded it as a business proposition and from no other point of view. The desirability of retaining so important a client in the hotel as the Prime Minister of Canada, of course, is obvious to everyone. I think the matter first came to my attention when Mr. Van Wyck mentioned to me that he understood that the Prime Minister was looking for a house and regretted that we were going to lose him. With that regret I agreed, and I said it would be an unfortunate thing for the hotel if the Prime Minister went elsewhere; whereupon, as the Prime Minister himself has outlined, I discussed the matter with him and out of that there grew the preparation of this suite. Another factor in the transaction was that while we had a certain number of suites consisting of bedroom, sitting room and bathroom, and in some cases a dining room, still we had nothing which corresponded to what is generally called in this country a vice-regal suite; in other words, there was no commodious suite which would house an important guest from abroad such as, let me say, the Prime Minister of England or the Prince of Wales, if you like, or the Duke of York, or anyone of that importance who might come to this country. Consequently, the introduction into the hotel of a suite of that character for that purpose, quite apart from the Prime Minister himself, was a desirable thing to have. Now, all of those circumstances led, as the Prime Minister himself has pointed out, to the preparation of that suite. There is an item of some \$20,000 for furnishings in the suite which the hotel department never regarded as specifically assigned to that suite. In other words, those were furnishings of different sorts which might be moved into any room or to some other hotel. It was part of the general hotel equipment and was not necessarily in perpetuity allocated to this particular suite. I said a moment ago that the railway hotel department regarded this purely as a business proposition, and I have said in that previous letter that I assume, and the hotel department assumes, entire responsibility for the sagacity and the wisdom of that arrangement as a business proposition, and that is just as true to-day as it was a year or more ago when I think I wrote a letter to Dr. Manion and explained the position of the hotel department. It is purely a business proposition.

Hon. Mr. MANION: And you adhere to the statement in that letter?

Sir HENRY THORNTON: Certainly. We would not have gone into it in the first place if we did not think it to be a sound business proposition.

Hon. Mr. MANION: May I ask you two questions to clear up this matter. Would you consider as one having had a lot to do with hotels that the value of a guest to the hotel does not only depend upon what he pays for his rooms but on his total payments to the hotel for all lines of service?

Sir HENRY THORNTON: That is my opinion, and it is borne out by this fact that in some hotels in which I have been a guest they make you a charge for the rooms, making a certain charge providing you take your meals in the hotel, and if you take your meals elsewhere and only occupy the rooms the charge for the rooms is greater; and I have been in hotels where I have perhaps taken more meals out of the hotel than the hotel management thought was fair, and they have never failed to call my attention to it. Now, in this particular instance, the total amount which the Prime Minister spent in the Chateau Laurier for the year 1931 was in round figures \$20,000. This year it seems to be running a little more than that. As a business proposition we regard a guest—and I think this is true of any hotel—whose presence in the hotel resulted in a revenue of \$20,000 a year or thereabout as a valuable guest.

Hon. Mr. MANION: That would be only horse sense.