

Mr. MCGIBBON: But that is different, for instance, to the cities in the East. You see my point?

Sir HENRY THORNTON: Oh yes, I see your point, quite.

Hon. Mr. EULER: Does each hotel have to carry its share of the advertising cost?

Sir HENRY THORNTON: No, that is carried in the expense for general advertising.

Mr. HANSON: Sir Henry, with reference we will say to the Chateau Laurier, everybody recognizes the Chateau is one of the best, if not the best hotel on the continent. That is saying a great deal, but that is my judgment anyway. In these days of hard times would it not be well if the head of your hotel department would look into the operation of the Chateau with a view to effecting an economy. I grant you that it is a mighty fine hotel but it does seem to me that it is overstaffed. The cost there must be colossal.

Sir HENRY THORNTON: Well now, as a matter of fact, there is an audit and an examination being made to-day by an expert of the whole of our hotel system. About the first of the year I became rather anxious about the efficiency of our hotel operations, and we wanted to find out from the point of view of efficiency whether these hotels were being properly and economically conducted, and there is a very searching audit and examination being made of the whole of our hotel operations. That is practically finished. I expect to have the report within three or four days.

I will say this, however, in answer to that question: In just an informal discussion with the auditor he told me they had finished the examination of the Chateau Laurier, and that having regard for the character of service which it seemed necessary to maintain, the hotel is operated with efficiency.

Mr. HANSON: I have no doubt about the efficiency. What I am driving at is the cost of that efficiency.

Hon. Mr. EULER: Could you have that same efficiency with a lesser staff?

Sir HENRY THORNTON: That is exactly the thing we have been trying to find out. I am not an expert hotel manager but I am responsible for the operation, as head of the company, of these hotels, and we have taken the necessary steps to try to find out.

Mr. HANSON: Mr. Hanbury suggests that there is a differentiation between service and efficiency. I am rather inclined to agree with that. I do not suggest that there is not good service, but I do suggest that that good service is maintained at a very high operating cost.

Sir HENRY THORNTON: Well, I think you have got to look at it this way, Mr. Hanson. You have got to decide what kind of service you are going to have. It may be what is generally described as a first-class service or a second class service or a third-class service. The main point is that we have got to say to ourselves: Now what kind of a service must we have at the Chateau Laurier? We may decide it will be first-class. We may decide to operate second-class and after that is decided we have got to say to ourselves and try to find out is that class of service efficient in so far as its status is concerned.

Mr. HEAPS: Is there any prospect, Sir Henry, of the deficits being reduced say in the coming year?

Sir HENRY THORNTON: I should think that there would be some reduction although it will be very difficult to answer that question Yes or No. I do not think it will be any more than last year, and I think it has a good chance of being less. For instance, our takings at Jasper this summer promised to be as good as last year.