

Mr. FRASER: Interest.

Hon. Mr. MANION: The purchase price was only around \$8,000,000, was it not?

Mr. FRASER: No, some \$26,000,000.

How many additional miles of road did you build last year?

Sir HENRY THORNTON: Sixty-five miles.

Hon. Mr. EULER: I suggest that we follow the Chairman's original idea and proceed down the list and clean up as we go along.

The CHAIRMAN: I was trying to bring you to it, when I asked you if there were any questions to be asked in respect to the Eastern Lines. If you are through with that, we will pass on. That is in the middle of the large appropriation of \$68,000,000.

Sir HENRY THORNTON: You will find an item of Eastern Lines Requirements.

Hon. Mr. EULER: Take for example other financial requirements such as the acquisition of securities, \$150,000. Have we a hotel in the West Indies, and where?

Sir HENRY THORNTON: No. That is represented by a second mortgage on the hotel property of \$150,000, and that was authorized by Order in Council December 6, 1930.

Hon. Mr. MANION: May I point out to the committee, since the date is given, that that arrangement was made before this government came into power.

Mr. HEAPS: You do not have to apologize.

Hon. Mr. MANION: Unfortunately, I have to apologize, because the hotel is broke.

Mr. HANBURY: What is the investment? Where is this investment?

Hon. Mr. MANION: We are only part holder. Jamaica has an investment in that hotel of about \$300,000, wasn't it, Sir Henry?

Sir HENRY THORNTON: \$200,000.

Hon. Mr. MANION: They put more in later—\$75,000.

Sir HENRY THORNTON: Yes, they did.

Hon. Mr. MANION: They have put \$375,000 on a first mortgage, and the Canadian National Railways pledged itself before we came into power at all to go into it. Frankly, I do not mind saying that if it had not been for the pledge of the Canadian National Railways we would not have agreed to it; but the Jamaica Government being associated with them, we thought it was more or less of a governmental responsibility, and we agreed to advance the money, and that is why the Order in Council was passed. Unfortunately, apparently business has not been good in the hotel, and the hotel is to-day in financial difficulties.

Sir HENRY THORNTON: The hotel is suffering, along with everything else in the world. We went into the thing primarily on account of our steamship services—the run down to Kingston—and also the fact that the United Fruit Company, an important competitor in the matter of banana shipments, were largely interested in another hotel.

The Jamaica government was exceedingly anxious that there should be another hotel built at Constance Springs. That is some six hundred feet above sea level, and is cool and agreeable, and an altogether desirable place for a hotel. So, having regard to our commitments in the so-called "Lady Boats," and the further fact that the Jamaica government were willing to put up some \$200,000 more to secure the hotel there, we recommended to the government that we should also assist in the proposal, and we did, as Dr. Manion has explained.

Mr. HEAPS: Who operates the hotel?