

*Committee on Railways and Shipping*

questions. I do not believe it was anything but the fairest and most impartial inquiry by the technical board.

Some comments were made during the course of the debate, I think by the hon. member for Moose Jaw-Lake Centre (Mr. Thatcher), about T.C.A. flying over military airfields. I say with deference that I do not really believe that subject is pertinent to the motion we are now considering. I would feel at a disadvantage if I attempted to reply now to what the hon. member said, for the simple reason that I would necessarily have to go far beyond the limits of the present motion in order to do so. I do not wish to evade my responsibilities to discuss the matter, but I would prefer an occasion when I would be within the rules of this house in giving a full explanation and replying fully to my hon. friend.

There are just two other matters to which I should like to refer. A number of hon. members have spoken of the arrangement for the management of the new Canadian National hotel in Montreal. I think I shall merely say in that connection that the Canadian National Railways made public, I think approximately on November 15, a very full statement regarding the parts of the arrangement with Hilton which they believed ought to be made public. I should like to say that no pressure whatever was exerted at any time upon the management of the railway to make an arrangement with the Hilton people. The decision which has been taken is a free decision of the management of the railway, and no pressure of any kind has been brought to bear upon the management by the government.

**Mr. Hamilton (Notre Dame de Grace):** Would the minister permit a question?

**Mr. Marler:** I think if my hon. friend would wait until after I have dealt fully with the subject it would be better. I would have no objections to questions then. I might say that I did not interrupt him, although I felt very much tempted on several occasions to do so.

**Mr. Hamilton (Notre Dame de Grace):** You are an unusual minister in that.

**Mr. Marler:** In my political life I have always found that patience is a useful virtue to cultivate, and since listening to my hon. friend I have been endeavouring to cultivate it intensively.

I think hon. members will realize that the setting up of this committee affords them an excellent opportunity of discussing with the officers of the railway the arrangement which has been made concerning the

management of the hotel, and of putting questions which they believe they have the right to ask in order to elicit information which they think is necessary in order to pass judgment on the merits or otherwise of the arrangement itself. I have a feeling that Mr. Gordon, chairman of the board, will probably be able to convince those who are willing to approach the matter with an open mind. I think not only that he ought to be able but that he will be able to persuade fair-minded people that the arrangement which has been made is in the interests of the railways and is advantageous to them.

So much has been said on the subject that I would like merely to quote two references, which are quite brief. In the 1954 report of the Canadian National Railways, which was tabled last week, paragraph No. 71, one of the four referring to the new hotel, reads as follows:

This specialized form of patronage can be secured only through a vigorous sales organization extending into all of the principal cities of the United States where the great majority of conventions originate. The Canadian National has been able to retain the services of such an organization on very favourable terms through an agreement with Hilton of Canada, Ltd., the Canadian subsidiary of Hilton Hotels Corporation. Through this management contract, there will be brought to the new hotel and to the Canadian National system generally the extensive solicitation facilities of the world's largest hotel operators, and the special skills of an organization already pre-eminent in the American convention business.

I should like to quote just a few paragraphs from an editorial which appeared in the January, 1955, issue of the *Hotel and Restaurant* magazine published in Toronto, as follows:

They tell us that many Canadians were both shocked and surprised to learn that America's leading hotelman, Conrad Hilton, will take over the management of the new \$20 million Queen Elizabeth hotel in Montreal when the C.N.R., its bulldozer, opens it in 1957.

That's a lot of baloney.

Those are the words in the editorial; that is not my language.

Let's look at it this way: Who else but Sheraton and Hilton can do the type of a selling job that will be required for this hotel? And Sheraton already has two big establishments in the city.

Surely it would be foolish not to take full advantage of the facilities the Queen Elizabeth will offer for the staging of the largest conventions. That is what it is being built for and that is what it must be run for. How can masses of American conventioners and tourists be attracted without a big, hard-working, widespread selling organization operating for the hotel south of the border?

Let's think for a moment of the hotelmen who are now operating in Montreal. Would you want to see them competing against this big, luxurious, new hotel, against its tremendous financial advantages (as outlined in our July editorial) for the Canadian business? Or would you want to see