

Major BELL: In the parlour car service in our own railway, I think you will find white men, generally speaking.

Mr. HARRIS: I appreciate that it is rather a ticklish question, but will you express an opinion as to what your policy is going to be with regard to keeping on coloured help in your dining car service throughout the whole system?

Major BELL: We have very few in the dining car service; I think they are practically all white men. It is only the porters who are coloured, and as a rule it is very hard to get any one but coloured help for that.

The CHAIRMAN: With regard to hotels and restaurants, have these been profitable during the last year?

Mr. HENRY: There was a statement brought down in the House about that, I think.

The CHAIRMAN: Has the Chateau Laurier been profitable?

Major BELL: It had a profit over operating expenses, but it did not meet its fixed charges. The biggest loss was in connection with the Fort Garry at Winnipeg.

Mr. HENRY: The Chateau Laurier had a surplus of \$3,137 over operating expenses.

The CHAIRMAN: What were the fixed charges?

Mr. HENRY: About \$2,500,000, I think.

The CHAIRMAN: The fixed charges?

Mr. HENRY: No, that is the capital cost. 4½ per cent on that would be the fixed charge, about \$100,000.

The CHAIRMAN: What is the policy of these hotels? What is the system, high prices with the expectation of making expenses, or low prices with the expectation of doing more business and making a profit that way?

Mr. HENRY: You cannot charge any more than the traffic will bear, you know.

Major BELL: Generally speaking, take the Chateau, if you could add 100 or 150 rooms to the Chateau, the overhead and management would be practically nothing extra, and the Chateau would be put on a paying basis, if you had the traffic. It is all a question of traffic. For a place the size of Ottawa, a building like the Chateau is a pretty expensive proposition. You have not the traffic for it.

The CHAIRMAN: Might I ask this. Is it true that so far as lodgings are concerned, the rental of rooms, the Chateau does a successful business?

Major BELL: I think so.

The CHAIRMAN: Is it relatively true of the dining-room service?

Major BELL: I think so.

The CHAIRMAN: There is a big expense in keeping up that service?

Major BELL: Yes.

The CHAIRMAN: And have they a commensurate service—

Major BELL: They must lose money on it when they do not meet the fixed charges.

The CHAIRMAN: I am trying to get at whether we are losing it by lack of patronage of the rooms or of the dining service.

Major BELL: They both work together. If you had the rooms in the Chateau filled every day and every night, in addition to the extra people who came in for their meals, I think the Chateau would pay the fixed charges, but you have your ups and downs. Then there are a great many who take rooms