

Hon. Mr. HOWE: Page 25 of the Annual Report, under Additions and Betterments less Retirements.

Hon. Mr. FULLERTON: \$258,000 in 1934 and \$535,000 in 1935.

Mr. BOTHWELL: That is the increase in the capital in the years 1934-1935?

Hon. Mr. FULLERTON: Yes.

Mr. BOTHWELL: What possible justification has there been for opening the Bessborough Hotel in Saskatoon, for instance?

The CHAIRMAN: Mr. Young may answer that question.

Mr. BEAUBIER: If the building was there, why not use it?

Hon. Mr. FULLERTON: We believed that in view of improving business conditions we were justified in opening the hotel, and we believe now that we can carry it on with a very small deficit. That is the opinion of our hotel manager. The building was standing there. Something had to be done. We still have the Vancouver Hotel. What we are going to do with that it is difficult to say. In that case we are spending a little money carrying out contracts that were let some years ago, spending just as little as possible. We feel that unless we do that we will have tremendous pressure brought on us to open that hotel, which we do not want to do at the present time.

Mr. BOTHWELL: Has the contract situation that existed some years ago anything to do with the Vancouver situation?

Hon. Mr. FULLERTON: I do not follow you.

Mr. BOTHWELL: I understood that there was an arrangement some years ago between the Dominion Government and the City of Vancouver in connection with certain things that had to be done, and this hotel was the result.

Hon. Mr. FULLERTON: It was the Canadian Northern Railway.

Mr. BOTHWELL: I wonder if what you are doing now has any relation to those arrangements?

Hon. Mr. FULLERTON: We constructed the hotel and we have been spending as little money as possible, but we are simply carrying on in order to prevent a lot of trouble. It has to be completed some day.

Mr. BOTHWELL: Has that agreement been declared to be ultra vires?

Hon. Mr. FULLERTON: The agreement between the C.N.R. and the City?

Mr. BOTHWELL: Yes.

Hon. Mr. FULLERTON: Not that I am aware of.

Mr. BOTHWELL: Is the C.N.R. carrying on in order to satisfy the people under that agreement?

Hon. Mr. FULLERTON: No. We have to protect the building, and do a certain amount of work there. That is all we are doing.

Mr. BOTHWELL: Could you tell me, Mr. Fullerton, how much money was spent last year on the Saskatoon Hotel?

Hon. Mr. FULLERTON: Yes, I can give you the exact figure: About \$480,000 was spent last year in furnishing the hotel.

Mr. BOTHWELL: Could you give us any information as to what has been spent since the opening of this year?

Hon. Mr. FULLERTON: Spent in the way of capital expenditure?

Mr. BOTHWELL: Yes.

Hon. Mr. FULLERTON: There is an amount of \$16,000 provided to meet certain contracts that were entered into last year.

Mr. BOTHWELL: Could you tell me what the total investment is in that hotel?