

Mr. VAUGHAN: Senator, perhaps I could read the exchange that took place in the committee of the House of Commons, because it might serve to clarify the situation and how it came about. I am reading from page 284 from the committee's proceedings:

Mr. HORNER (*Acadia*): Why has the Chateau Laurier particularly lost money while the rest of the hotels in some of the bigger centres have made it?

Mr. GORDON: Well—

The CHAIRMAN: Do not say it does not charge members of parliament.

Mr. FISHER: Has the Chateau Laurier in the main made profit in recent years?

Mr. GORDON: No. One of the problems of the Chateau Laurier is quite obvious. It has a very poor occupancy on week-ends because of the nature of its clientele. In addition we have made a policy not to allow the hotel to get tied up too much when the House of Commons is in session. There was a time when we used to be able to predict fairly closely when the House of Commons would be in session, but lately we have not been able to make that forecast. The result is that we are very nervous about taking on convention business that might clash with sittings of the House of Commons. Because of that implied priority, it is difficult for management to take on business which it might otherwise have.

This was a remark that really came about after somebody brought up the subject, and there was certainly no implied criticism of any senator or member, I assure you.

Senator KINLEY: I think it was said in the press that it was because of the Members of Parliament—

Mr. VAUGHAN: Of course, the press sometimes gets things a little differently from what was actually said.

Senator KINLEY: I did not read the report of the committee, but I read this in the press, and I thought it was unfair and undignified.

Mr. VAUGHAN: I am glad you have brought it up, because it is something that can cause erroneous understanding. Perhaps my reading this extract will have cleared it up; because we do value your business. The Chateau Laurier occupies a prime position in Ottawa, which is the nation's capital, and we hope it does cater to the nation's capital and to the people who are here on the nation's business.

Senator McKEEN: I understand that when the Chateau was originally built one of its purposes was the accommodation of Members of Parliament so that they would have a place at which to stay while Parliament was sitting, and so that they did not have to go scrambling all over town in order to find accommodation. I might say that since coming to Ottawa I have lived at the Chateau Laurier, and I have been given excellent service. The Chateau is always able to take care of us, and that is something we expect. The only objection I have is that the rent has pretty nearly doubled during my time in Ottawa, but I think the same thing applies to all hotels. I think the criticism is unfair, if there was any criticism.

Mr. VAUGHAN: I do not think there was criticism, and I think I have given you the intent in the remarks which I have read.

Senator LAMBERT: May I say that I was under the impression that for some years the Chateau Laurier was the one hotel of the system that was profitable. For how long has that not been true?

Mr. VAUGHAN: I can get the figures for you in a moment, Senator.