

Committee on Railways and Shipping

is one thing où les Canadiens français sont bien it is in their hospitality. French Canadians are proud of their hospitality. Down through the ages they have established an outstanding reputation for the hospitality and friendship they evidence toward the stranger. I suggest we do not need anyone to come to Montreal to show us how to attract guests to that city, or how to be hospitable.

Turning now for a moment to the question of the management of the hotel, for the agreement does turn over the management of this \$25 million property lock, stock and barrel to Hilton for 15 years, the only basis I can see for it is the conviction on the part of the government that American management and control of the hotel would be superior to Canadian management and control. Quite frankly I cannot agree with this view. Perhaps, however, someone might argue that the advice and guidance of those closely associated with the operation and problems of the biggest hotels is needed. This may be so, but it should be pointed out that it is quite possible to get this advice and guidance without giving away the management rights of the operation. There are several highly reputable organizations in the United States whose particular work it is to give advice, counsel and guidance to individual hotels and to large hotel chains. They guide, counsel and advise, but they leave the management and operating control in the place where they rightfully belong, in the hands of the people who own the hotel and who have the major investment in it.

If you want a comparable situation you can turn to the position of the Sheraton hotels in Canada. This Canadian chain was purchased outright several years ago by the Sheraton corporation of America, which is next in size to the Hilton corporation. I have made inquiries, and I find that this organization use their head office personnel from the United States purely in a consultative and advisory capacity to their Canadian operations. Their units—and let us remember one of them is the Mount Royal in Montreal with a thousand rooms and another is the King Edward in Toronto, also an immense hotel—operate under complete local control, using the chain headquarters personnel for advice, suggestion and consultation to achieve the best possible operating and management results.

I see no reason why, if the need for such advice was felt, a similar arrangement could not have been worked out whereby advice, counsel and guidance would have been made available but the management control and final decision on all matters would have

remained in the hands of Canadians in a Canadian organization. It is a far cry from calling in a consultant for advice and guidance to calling him in and turning over your business to him lock, stock and barrel for a 15-year period.

While we are on the subject of the Sheraton chain, I might point out that my investigations have disclosed that they have an iron-clad policy of employing only Canadian personnel from top to bottom in their organization. In their entire operations in Canada at the present time, with all their thousands of employees, there is only one single individual at the present time who has been transferred from south of the border to a Canadian position in a continuing capacity. In fact, it has worked the other way. They have been taking personnel from Canada and transferring them to the United States, because in certain cases they had a surplus of operating personnel here.

Compare this figure of one man among thousands with the proposal for the new hotel in Montreal, where the statement is made that at least 95 per cent of the operating staff will be recruited in Canada. This figure of 95 per cent sounds very reasonable at first, but it begins to look less reasonable when we realize that it means that up to 5 per cent of the staff will probably be brought into Canada from the United States, that this represents 60 to 75 people in a hotel of this size, and that this group which—I quote Mr. Hilton—"will be selected for their special skills, knowledge and other qualifications" will preempt almost every position of any importance in the new hotel, leaving for the Canadian personnel the jobs of hewers of wood and drawers of water, the subordinate positions.

Mr. Fulton: That is Liberal government policy.

Mr. Hamilton (Notre Dame de Grace): That may be Liberal government policy but it is not one with which we on this side of the house agree, and I think the sooner they know it the better. You do not have to do it. There is absolutely no reason for it, because hotel operations in Canada have demonstrated that we have the stuff to do the job. The Royal York, the biggest hotel in the empire, uses Canadian people, and it is an extremely well-run hotel. It was only two or three months ago that a young man who had entered the service of the hotel in the capacity of secretary to the general manager was himself appointed general manager of the entire, great Royal York hotel.

There was Dave Mulligan, another Canadian who, unfortunately, died a few months