

SECTION 3.—THE STATE OF HOTEL ACCOMMODATION AT ROTORUA

(See para. 583)

625. We paid special attention to the condition of the hotels in Rotorua, which is the principal tourist resort of New Zealand. There are four licensed hotels. Three of them, the Grand, the Palace, and Lake House, are all owned by Hancock and Co., and L. D. Nathan, Ltd., in equal shares, but are leased to Hancock and Co. The Grand and the Palace are under management by Hancock and Co. The Lake House Hotel was leased in 1931 to a tenant for a term of years, but since 1941 has been let on a weekly tenancy (R. 4705). The fourth hotel, the Geyser, at Whakarewarewa, is owned by L. D. Nathan and Co. but leased to New Zealand Breweries, who employ a licensee-manager to conduct the hotel.

626. The Lake House Hotel was built in 1879, the Palace in 1882, the Geyser in 1884, and the present Grand Hotel in 1906. All the buildings at the present time are in a fair state of repair.

627. Since 1932 a new kitchen block has been added to the Grand Hotel and there have been extensions to the lounge, dining-room, house bar, bottle department, and bulk store of that hotel. In 1932, also, bathrooms, toilets, and shower rooms were built at the Geyser Hotel. Little was done to the Lake House Hotel or to the Palace Hotel prior to the year of 1938. In that year the buildings were in a very bad state. The reports of the Police and Health Departments on the Lake House Hotel were such that the Licensing Committee proposed to refuse a renewal of the license unless the hotel was rebuilt (R. 6073 f). The owners then proposed an expenditure of £6,000 on the Lake House Hotel, comprising at least £2,000 on maintenance and repairs and the balance on capital improvements. The Magistrate then advised the Licensing Committee that it could not insist on a rebuilding, and the repairs were carried out. This hotel, overlooking the lake, occupies the best site for a tourist hotel in Rotorua (R. 4689).

The Palace Hotel received strong adverse reports, and extensive repairs had to be carried out. The foundations were renewed in brick (R. 4759). Conveniences and kitchen equipment were added, and the lounge, store-room, public bar, and entrance enlarged. Since then the hotel has been painted and papered throughout (R. 4767). The Geyser Hotel seems generally to have been kept in a good state of repair.

628. The question was strongly raised before us as to whether these hotels were adequate for the principal tourist resort of New Zealand. The Mayor of Rotorua, on behalf of his Council, complained that there was no hotel in Rotorua built of fire-proof and sound-proof materials, and that, having regard to the profits which the companies had made out of the hotels, the accommodation provided was very inadequate for the needs of Rotorua.

629. In answer to these complaints, the architect of the companies stated that he did not know of a single concrete building in Rotorua that had not cracked, either through earthquake tremors or traffic vibration. He said that foundations were a problem. He was not in favour of too large or too high a concrete building for Rotorua.

630. It is a technical question whether a large building should be built in Rotorua in permanent fire-proof and sound-proof materials. It may be noted that the foundations of the Palace Hotel were renewed in brick in 1938. In the great Tokio earthquake of 1923 the building which survived intact was the large Imperial Hotel, built of concrete in an earthquake-proof manner. Nevertheless, the question of the materials in which modern hotels should be built in Rotorua is a technical one which we cannot decide.

631. In answer to the complaint that Hancock and Co. could have built better hotels out of the great profits from their trade, the Hon. Eliot Davis informed us that Hancock and Co. and L. D. Nathan and Co. were pioneers in developing hotels in Rotorua. They went there in the early "eighties" and had incurred many losses in trying to develop the tourist traffic. The Hon. Eliot Davis stated that the company continued to run the Grand Hotel for years at a total loss exceeding £28,000. He said