

7. We are told that you are paying 6 per cent. interest on the value of the property?—I am paying 9 per cent.

8. You have been sent up here as an example of what can be done. If you are not under the same conditions as the other people the evidence is of no value. We have asked you here to try and get at the facts?—There are six shops, two let at £1 7s. 6d. and four at £1 5s. There are two of them that are not rented at all; one is rented at £1 7s. 6d. I have nothing to do with the shops at all, but the shops are included in the building.

9. *Mr. Davey.*] What do you consider your rental is at the Palace per week?—£27 8s. 9d. per week.

10. And under that rental you think you can make it pay?—Yes, it does.

11. *Mr. J. Bollard.*] Your tariff is 5s. a day—that is, 1s. less than any of the others except the small hotels—1s. a day less than the Bristol, Grand, and Central?—I believe so.

12. This is worked on commercial lines?—Yes, entirely.

13. You say that while you work it on commercial lines there is a profit?—Yes.

14. How does it compare with those other hotels in the way of food and accommodation?—We are generally pretty full.

15. The general public patronize you, it is not confined to members of the "Army"?—Yes, the general public.

16. You find that you can give a weekly holiday?—Yes, I have been giving girls a weekly holiday for the last three years and men for the last twelve months.

17. How long have you been there?—Four years.

18. You say that it does not interfere with the commercial aspect?—It is an improvement. You keep a better class of employee, and it is better for the employees.

19. If you can do it, you can see no reason why the other hotels could not do it?—No. I was sub-manager of the People's Palace in Sydney: the award compelled us to do that there.

20. Is that a large place?—There is accommodation for six hundred. We were compelled to give a whole holiday there every week.

21. Did it work satisfactorily?—Yes.

22. It is, you consider, profitable to give a whole holiday?—Yes.

23. *Mr. Anderson.*] What is this £27 8s. 9d. based upon—what capital is it based upon?—It is divided equally between the part of the building that I have, the hotel, and the shops. I do not know anything about the financial side of the work. The People's Palace is a private hotel run on business lines; it pays 9 per cent. on all capital invested. The land was given originally for a rescue home, but transferred with consent to Newtown.

24. What we want to know is whether the rent you are paying works out on a percentage basis. On what capital per cent. does it work out, so that we can compare it with the rent which is paid at some of the other hotels or restaurants. What does the "Brigadier" base this £27 8s. 9d. upon?—Nine per cent. on the capital invested in the private hotel, and the shops are paying 9 per cent. on the capital invested in them.

25. *Hon. Mr. Millar.*] You have given us the capital value of the property at £33,000. With two shops let at £1 7s. 6d. and four at £1 5s. per week gives you a total rental of £398 per annum; capitalizing that at 5 per cent. I make out that you are paying about 6 per cent. on the shops and about 5 per cent. on the hotel property?—I might be mistaken, but that is the statement I got from the "Brigadier," and he assured me those figures were correct.

26. *Mr. Carey.*] You did not come to this Committee of your own volition?—No, I got a notice to attend.

27. Has the union in any way approached you to come here?—No.

28. Do not most hotels let the bottom part of the building for shops? As a matter of fact, have not the hotels nearest to you got the shop-frontages let?—the Bristol and the Grand Central?—Yes.

29. The People's Palace Hotel is in no way financially subsidized by the Salvation Army; even the land which was originally given was purchased by the department which runs the hotel; so that the value of the land is a trade charge as well as the value of the building, and the hotel has paid 9 per cent. on the capital expended?—I have definitely stated that it is paying 9 per cent. on the property value.

30. There is no reason to think that the "Brigadier" is in any way attempting to mislead?—He has given me the facts as I have stated them.

*Mr. Millar:* We are not doubting the "Brigadier's" veracity.

31. *The Chairman.*] Is it the usual custom of people keeping these boardinghouses that they rent the boardinghouses and the shops?—No.

32. The trade of the hotel is not paying for the whole of the capital invested in the building: the proprietor gets a separate rent for the shops?—

33. *Mr. Carey.*] The receipts for the shops and the receipts for the hotel are kept separately?—Yes.

34. The business is done in the ordinary way just as a private man would do his business?—Yes.

35. You say that the granting of the six-day working-week has been an improvement?—Decidedly.

36. Is not this a fact, that on one week the chef works five days and a half?—Yes; they work that on the Sunday afternoon.

37. *Mr. J. Bollard.*] You stated that well-appointed hotels only charge 1s. a day more: are you certain that statement is correct?—I am only taking it from advertisements in the Railway Guide.

38. Would you be surprised to hear that hotels like the Windsor charge 15s. a day?—I know several people staying at the Hotel Windsor who state that is so.