

the growers. But so far as the consumption of hops is concerned I was convinced that in spite of the higher duty there does not appear to have been any considerable diminution in the necessity for importing hops from certain other countries. I am advised that these imports are due to a particular flavour or some other quality which they bring about by mixing. I can assure the hon. member he was quite wrong when he suggested that I just went through the tariff and grabbed items here and there for the purpose of reduction. I do not think he really believes that; it was just a passing remark.

I listened to representations from both sides. The tariff was very much higher than when I left office previously. The people asking for the reduction represented the brewers of Canada, and of course they stated that they were manufacturing one of the most highly taxed commodities, a commodity which was taxed both federally and provincially. One can imagine the arguments they would use. I said we were mainly concerned about the hop growers, and they assured me positively that they had kept up the price and would continue to keep it up. They brought me proof of their activities in connection with malting barley, and certainly if there is any evidence which indicates that the Canadian hop consumers do not give a fair deal to Canadian hop producers, then the hon. member may call my attention to that fact and I can assure him my viewpoint would be changed, on production of such evidence. I am of opinion, however, that a duty of ten cents per pound under the intermediate tariff and sixteen cents under the general tariff may be considered a substantial duty, having regard to the fact that a considerable quantity of hops must be imported for purposes of correct flavouring.

Mr. BENNETT: There is no question about it.

Mr. DUNNING: Hops have been imported even under higher tariffs for that reason. Our imports amount to a million and a half pounds, even under high tariff regulations.

Mr. BENNETT: And that means a million and a half barrels of beer.

Mr. DUNNING: Is it a pound to a barrel?

Mr. BENNETT: Substantially so.

Mr. DUNNING: It is almost as much as the total Canadian production, which amounted to 1,765,000 pounds.

[Mr. Dunning.]

Mr. STIRLING: How much comes from Australia and New Zealand?

Mr. DUNNING: Practically none, in spite of the tremendous advantage they are receiving under the treaty. Importations have been very slight, despite the advantageous rates. Australian hops have not been seen in the Canadian market since 1930, with the solitary exception of a small importation of 20,000 pounds in 1933. From the information I have at my disposal I do not share the apprehensions of the hon. member for Fraser Valley, but I can assure him of sympathetic consideration of any evidence he may be able to produce at any time which would indicate that Canadian hop consumers have not treated Canadian hop producers fairly. The growing of hops is being developed in another part of Canada, not far distant from Ottawa, and I am advised that the industry is given considerable encouragement. Those growers, after first protesting against the change, came to me and said that they were quite convinced it would not be harmful to them.

Mr. BARBER: I think the minister is very fair, but there is another angle to the matter I should like to discuss.

Mr. DUNNING: Well, it is eleven o'clock and I do not suppose we can pass the item to-night.

Mr. BENNETT: No. In view of the discussions which have taken place, I think the matter should have gone before the tariff board.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

## Tuesday, May 19, 1936

The house met at three o'clock.

### CANADIAN AND BRITISH INSURANCE COMPANIES ACT, 1932

Hon. CHARLES A. DUNNING (Minister of Finance) moved the first reading of Bill No. 61 (from the Senate) to amend the Canadian and British Insurance Companies Act, 1932.

Motion agreed to and bill read the first time.

### PRIVATE BILLS

#### FIRST READINGS—SENATE BILLS

Bill No. 62 for the relief of Pedro Alfonso Baptista.—Mr. Jacobs.