

*By Hon. Mr. Motherwell:*

Q. Mr. Bredt, who originated that private certificate?—A. So far as we know, it was originated in New York by some exporters there,—a very ingenious plan. They could not export Federal No. 2 American origin; they wanted the Canadian barley, they liked the Canadian barley, and we did not have an official grade; and they bought our barley and mixed it up or down to that standard, whichever it happened to be; and simply by giving an intimation that it was of Canadian origin, it was acceptable to the Continental buyers.

*By Mr. Millar:*

Q. Do you know about when that practice originated?—A. Possibly I had better read you a statement which I obtained from the Bremen Association of Grain Importers. It gives various dates and has reference to the whole matter. "On account of the resolution of the meeting of the Association of November 10, 1926, and September 7, 1927, the members of the Association are obligated not to buy barley of lower grades than No. 2 barley Federal grade, government inspection, they may buy No. 1 to No. 4 Canada Western barley also with the addition of Tough, Dominion inspection. Owing to the condition of the American barley No. 2 it was decided on October 26, 1928, to import no more barley No. 2 and to exclude also Canadian Rejected or Canadian Feeding barley." So, on October 26, 1928, the importation of Federal No. 2 was prohibited. That referred both to Bremen and Hamburg.

*By Hon. Mr. Motherwell:*

Q. Did that arise out of the injurious effects which the barley had on hogs?  
A. Yes.

Q. Because there was no complaint as far as I could find against the barley in August?—A. No, because that is the 1928 crop, and that had not gone over at that time.

Q. It was the 1928 crop that created the difficulty?—A. Yes, the trouble occurred in connection with it. I think that is all that is necessary to read in that connection. Then it just goes on to state what I have read before. They allowed in barley from the Gulf States, Federal No. 2 Canadian origin; they also allowed rejected barley in Dominion Standard Inspection, simply because there was so little other barley that they could get. But rejected barley, which only contains 10 per cent of wild oats, is really equal to Federal No. 2. It is the name, in this case that they object to. Whatever the reason, rejected barley would not be a popular export grade.

Q. It is nearly as bad as "Condemned"?—A. It is as bad as "Condemned".

*By the Acting Chairman:*

Q. The name sounds bad.—A. Yes. Of course it is not a very happy designation "Rejected Barley". It is something they are unwilling to accept.

*By Mr. Bancroft:*

Q. Do you know Mr. Bredt, if in this mixture which went out from the United States Canadian barley would be mixed into that, or would it be all American barley?—A. We have samples of that barley, but there is no man living who would swear it was not all Canadian barley that it did contain, or that it contained a certain percentage of American barley. That is the unfortunate point about it; and that is the point which we raised with the German importers who accepted this. It is not an official grade; and if difficulty does arise with Federal No. 2, Canadian origin, if they mixed too much scabby barley, it is the reputation of Canadian barley which suffers, and it gives us a black eye.

[Mr. Paul Bredt.]