

Mr. MACKENZIE: Yes. It was brought to a fever heat this year because of the run of mild weather we had in October which allowed mould to develop.

Mr. DANFORTH: There was an abnormal movement brought about by the particular climatic factors which occurred, but which might not be prevalent next year.

Mr. MACKENZIE: Yes.

Mr. DANFORTH: I have one more question. Mr. Nichols and I heartily agree that the duty on commercial corn coming into Canada should be equal the duty on commercial corn going out of Canada. But may I ask him, as a representative of the corn industry, whether there has ever been a request made for an increase in this tariff, or for an equalization of it?

Mr. NICHOLS: Again, once before, the Montreal corn exchange—acting I would say in a selfish manner—asked that the duty be removed from corn. This would make corn cheaper to the producer who would have to pay the shot. If we were to ask for too much, then the feed producer and everybody else would be up in arms. But I think we are justified in asking for it. However, on the other hand, they have become accustomed to paying subsidies for the corn producer, over quite a while, and it is hard to break them of the habit.

Mr. DANFORTH: Is this the basic reason in your opinion why the industry as a whole in southwestern Ontario—in view of the fact that we are expanding—has not come forward and asked for a more rational equalization of the duty?

Mr. NICHOLS: We understood from reading the press and from obtaining what information we could that the trend at this time in the Geneva negotiations of the GATT was towards reducing tariffs as a whole.

Mr. DANFORTH: An over-all reduction?

Mr. NICHOLS: Over-all, yes. If this were the policy of all governments we would be foolish to ask for anything else. If there was a possibility of the other governments cutting their duties on corn to 12½ per cent we would like to see ours go up to 12½ per cent on imported corn. We did make that fact known, but to try to make it the core of a brief is a different matter, and we questioned the advisability of asking for higher tariffs in the face of all this information and of the press releases.

The VICE CHAIRMAN: Mr. Beer.

Mr. BEER: May I ask one supplementary question?

With reference to the application for assistance for transportation beginning at the source, I presume you would recommend or would have in mind that this would be on a 100 pound basis or a tonnage basis.

Mr. NICHOLS: On the same basis as the present feed freight assistance plan; that is, on a tonnage basis.

Mr. BEER: Right. So this begins at my farm. If I have a farm in southwestern Ontario it begins at my farm?

Mr. NICHOLS: I would not say it would begin at the farm. I think it would begin at the elevator level.

Mr. BEER: At the local elevator level?

Mr. NICHOLS: Yes, and it would have to be over a large area. I would not suggest that a different rate should be set up for Windsor, Chatham and so on. As I understand it, the rate is \$5 per ton and that would have to apply for a whole area. If there are areas for which the freight rate is a little more, I do not think there is any way, shape or form in which you could keep adjusting it. There should be a general rate for the whole thing.