

Ask Increase in Oil and Fat Tariff

Dairy Industry Interests Assume Leadership in Movement to Advance Vegetable Oil Schedules

INCREASES in the tariff rates on various vegetable oils and fats were urged in a hearing on Jan. 9 before the Ways and Means Committee held in Washington. A list of vegetable oils was submitted on which duty increases up to 100 per cent were asked by producers and backed by the dairy and farm organizations. Strong protests against any increase were presented by soap and laundry interests. The agricultural demands were submitted by Charles W. Holman of the National Cooperative Milk Producers' Federation, speaking for some of the largest farm organizations in the country.

The demand for increases brought opposition from laundry soap manufacturers and laundrymen, whose representatives declared the higher duties proposed by farm organizations would mean a 50 per cent increase in the price of soap and greater charges for laundry work. W. F. Fitch of La Salle, Ill., speaking for the Laundry Owners' National Association, said the proposed revision would increase the soap bill of the laundries from \$30,000,000 to \$45,000,000 a year, and that they would pass this on to the public. He estimated that the home laundry soap bill would be increased \$135,000,000 a year, while the increased duties would not aid the farmer.

A suggestion by the farm interests for changing the free trade policy now practiced toward the Philippine Islands with respect to coconut and copra products brought opposition from Major Gen. Frank McIntyre, retired, former Chief of the Philippine Bureau in the War Department, who has just been appointed resident trade commissioner in Washington for the islands. He opposed any change in the Philippine tariff policy.

The rate the farm organizations want for oils in the chemical list is 45 per cent ad valorem and would apply to such oils as cotton seed, peanut, coconut, olive, soya bean, linseed, fish oils, poppyseed and various combinations and mixtures of animal,

vegetable or mineral oils. The farm spokesman said similar increases will be proposed for oils and fats in other schedules, like lard and tallow, and urged the committee to consider all oils, fats and raw materials at the same time in working out the new tariff bill.

"In support of this proposed duty," he said, "we say frankly to the committee that our hope is that such an increase will raise the present domestic price level of the oils and fats in order that the domestic producers of raw materials may benefit from price increases."

"We believe that the time has arrived when there should be an additional tariff policy with respect to the future of the oils and fats industries of this nation. We believe that policy should be based upon the assumption that the domestic market is to be the dominant market both for the producers of the raw materials and the manufacturers of articles such as paint, varnish and soap."

Supporting in general the presentation for allied farm groups, Chester H. Gray, Washington representative of the American Farm Bureau Federation, said the farmers are looking at tariff matters differently from twenty-five years ago.

Replying to the farm groups, F. M. Barnes, chief of the purchasing division of the Procter & Gamble Company, speaking for the laundry soap manufacturers, declared that last year 900,000,000 pounds of fats were used in soap making in the United States and that the manufacturers were short then by 750,000,000 pounds of raw material, which had to come from the outside. The production of animal fats, he contended, is decreasing, while the soap business is increasing. The proposed 45 per cent ad valorem duty, he said, would mean an increase of 50 per cent in the price of soap. Mr. Barnes denied that the tariff increase on animal fats would help the farmers, explaining that little tallow is cut off in the packing houses.