OIL & FAT INDUSTRIES

The Editor's Page

The Proposed Tariff

A SURVEY of the oil and fat industries indicates an extremely complicated situation where the proposed increase of the tariff to 45 per cent is concerned. A questionnaire sent out broadcast by *Oil & Fat Industries,* the results of which are discussed elsewhere in this issue in detail, showed very close to an even break among producers, refiners, and manufacturers of edible oil products. Some 53 per cent favored the tariff and 47 per cent were opposed to it.

That there should be a division of opinion on the tariff is only natural when it is realized that some produce and refine oils, others only refine oils, still others refine only imported oils, and many do two or more of these operations. Interests in the oil and fat industries lie in several different directions. To some companies, imports of oil and fats mean cheap foreign competition; to others, they mean a source of cheap raw material. Opinion is dictated almost wholly by the position which the company in question happens to occupy.

In the matter of a duty on Philippine coconut oil, the attitude is taken by most American oil producers that as far as American industry and Americans are concerned, the Philippines are as much of a foreign country as Holland or Africa. "Why should we enrich the Oriental population of the Philippines at the expense of American oil producers?" is the query of one producer. On the other hand, the attitude is taken by some people in the oil business that we must either give the Philippines their independence or else let them ship in their goods free of duty—that we cannot consistently build a tariff wall against our own colonies.

About a billion pounds of fatty oils are imported yearly by the United States with an average value of $125,000,000. Production of all oils and fats in the United States is roughly six billion pounds per year with a wholesale value in finished oil and fat products of over a billion dollars. From these figures, it is difficult to make any general conclusions regarding the possible effects of the tariff in the oil and fat industries because of the involved nature of the manufacturing interests. Certain large oil and fat consuming industries will be placed at a distinct disadvantage. Some oil producers and refiners will be placed in the same situation, while still others may be greatly benefitted.

We cannot see that a single blanket rate of duty whether it be 45 per cent or 4½ per cent is equitable for all oils and fats, and for all producers, refiners, importers and consumers. The tariff schedule for oils and fats should be worked out on a genuinely scientific basis after a thorough study of the situation. Edible oils and inedible oils will have to be separated and treated differently in tariff consideration. They cannot just be dumped into a general pot simply because they are fatty oils. And the oils must also be treated individually. Coconut oil needs one duty, peanut another, and fish oils still another.

In fairness to American industry, oil crushers, oil refiners, and oil consumers, we hope that great care is taken in the final adjusting of the tariff rates on oils and fats. Hasty action stampeded by selfish factions on one side or the other will not solve the problem permanently. An equitable tariff worked out on a scientific basis is much to be preferred to a temporary measure dictated by vote-seeking politicians.

Research Justified

Most large manufacturing organizations in the country today look with favor upon research, particularly chemical and engineering research. Every product and machine, every tool of modern business and industry, at some time or other in the past was the work of research men. The remarkable advances in synthetic chemistry, in mechanical and electrical engineering, in most every field of science and industry, date back to tedious, painstaking, and in numerous instances, expensive research work. New things in our modern civilization