

OIL & FAT INDUSTRIES

The Editor's Page

Government Activities

DURING the past month or two, inspectors of the Food Division of The Department of Agriculture have been visiting the plants of various manufacturers of mayonnaise and other fatty food products, requesting data at first hand about the manufacture and composition of the products being produced. It is stated that in some instances original formulas were requested. At the time these visits from the inspectors began, they caused considerable resentment and uncertainty among some of the manufacturers whose establishments were inspected. The object of the inspections is evidently to discover at the source which products violate the law when shipped in interstate commerce and which do not.

Although under the law, it seems, manufacturers are not compelled to permit inspection of their plants by representatives of the Food Administration, the idea behind the inspections is better considered before judgment is passed. The object of the inspections must be to get a line on those who violate the law. Taking samples shipped in interstate commerce and prosecution is a later detail. Those manufacturers who do not violate the law, should have nothing to fear from this angle. At the same time, to reveal equipment, operating methods, and above all, formulas, to an inspector who might perchance, at some later date, leave the Government employ and engage in a similar business, is not reassuring. Manufacturers do not give out information of this kind to anybody willingly, even to a Government department. Fear of future pressure, direct or indirect, is probably the chief reason for revealing trade secrets where they are revealed.

The activity of the Food Administration is unquestionably aimed at products which do not conform to the law. Manufacturers who are incensed at this form of governmental snooping should bear in mind that it is aimed primarily to uncover those who are likely to break the law, or are breaking the law, and hence to protect the honest manufacturer as well as the public.

To the Government officials, it can well be said that, although the aims of their plan to get

the real facts at the source may be of the highest, activity of this type tends to antagonize business which does not break the law and has no intention of breaking it. The plan theoretically may have some value, but from the angle of law enforcement, we believe that it will not work out well in the long run.

The Tariff Compromise

LOOKING at the tariff rates on oils and fats as they have been reported out by the Senate Finance Committee, gives the impression that the Senate Committee has attempted to placate both sides. The rates on various oils suitable for edible purposes have been increased in a number of cases and oils which were on the free list have been placed on the dutiable list. Where these same oils are destined for the soap kettle or for other non-edible purposes, the plan of denaturation to render them unfit for food uses has been written into the bill. These denatured oils remain free of duty.

The chief demand for a higher duty on imported oils and fats has come from those quarters primarily interested in the production of food oils and from dairy and farm interests. The object has been first to permit the domestic producer of cotton oil, peanut oil, corn oil, and soya bean oil to sell his oil at a higher price, and second, to eliminate some of the competition for dairy products now present in margarins made from low cost imported oils. If the great proportion of American produced oils go into food products, which we believe they do, then a higher duty on the *edible* grades only of imported oils should give the American dairy and oil interests the protection they ask.

The largest consumer of non-edible imported oils is, of course, the soap industry. That it should wage a bitter fight against having its oils taxed is only natural. It has maintained that its raw materials play no part in the production of fatty food products and that it would not be a larger consumer of American produced oils even if the high tariff rates be-