Increased Oil Tariffs Defeated in First Real Test

Senate, by Vote of Forty-nine to Twenty-six, Defeats Amendment Proposing to Raise Oil and Fat Rates

LATE in the afternoon of January 28, the United States Senate voted on two last-minute amendments offered for the purpose of effecting further substantial increases in the tariff rates on all classes of animal and vegetable fats. The votes resulted in the decisive defeat of both amendments.

The first proposal considered, which was introduced by Senator Jones (Rep.) of Washington, was originally intended to increase the tariff on all oils imported to a uniform rate of 45 percent ad valorem. Before the amendment reached a vote, however, Senator Jones voluntarily modified it in such a way that it contemplated only an advance in the rates on sod, herring and menhaden oils from five to fifteen cents per gallon. This amendment, when put to a vote, was defeated *viva voce.*

The second amendment, offered by Senator Thomas, (Rep.) of Idaho, proposed to increase the rates on all imported oils by a specific amount in each case. Some examples of the rates proposed in the Thomas Amendment are as follows:

Castor oil—5c per lb.
Linseed oil—4½c per pound or a minimum of 55% ad valorem.
Palm oil—3.1c per lb.
Perilla oil—4.6c per lb.
Sweet almond oil—3.4c per lb.

The last three of these oils are admitted free of duty at the present time.

Senator Sheppard, (Dem.) of Texas, opened the debate in favor of increased duties on vegetable oils, asking for specific duties equal to 45% ad valorem and 40% on the oil content of oil-bearing seeds and beans and copra. According to Senator Sheppard, the demand for the increased tariffs is advanced by the producers of cottonseed, flaxseed, corn, hogs, beef, soya beans, peanuts and milk, representing more than six million farmers. Senator Norris, (Rep.) of Nebraska stated that the Senators seemed to be in a confused state of mind over the oil rates and Senator Smoot, (Rep.) of Utah, chairman of the Senate Committee on Finance, agreed.

Senator Copeland, (Dem.) of New York, opposed the amendments on the ground that many of the imported oils are used in the manufacture of soap, and that the cost of cleanliness should not be increased to the American Public, including the farmers.

A roll-call vote was taken on the Thomas amendment, and resulted in the decisive defeat of the amendment by a vote of forty-nine against the amendment to tweny-six in favor with twenty-one not voting or paired. The leaders of the opposition to the tariff schedules as now written in the bill, state that they plan a fight for reconsideration of oil and other agricultural duties when the bill comes before the Senate for individual amendments. The leaders of the Senate hope to secure final passage of the Tariff Act by February 15.

For Tariff on Manila Oil

A PROTECTIVE tariff on imported coconut oil was demanded in a resolution adopted at the meeting of the Texas Cottonseed Crushers' Association in Dallas, Texas. The resolution, which was presented to the thirty-seven members of the association, representing 168 mills in Texas, explained that American cottonseed oil could not compete in price with the Philippine coconut oil produced by cheap labor. The prediction was freely made at the meeting that within five years an amount of coconut oil equal to the total cottonseed oil output of the United States would be produced in the Philippine Islands. Only 2 percent of arable land in the islands is under cultivation, it was said, and about 80 percent is government land.

The resolution, which specified besides the oil the copra from which it is produced, declared that the situation had brought about "for the Southern cotton oil and other domestic fat industries destructive and impossible competition to the extent that all fats are near the pre-war price level and at least 30 percent below the average price level of all other commodities." The present price of cottonseed oil averages 7 cents a pound, as against the five-year immediate pre-war average of 6 cents, it was stated, causing an unusual amount of seed

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tolerance necessary in glass making. These formulas differ with different cap manufacturers, due partly to the type of equipment used. The cap manufacturer not only has to contend with the tolerance required by the glass manufacturer, but the metal he uses is not obtainable in uniform guage and temper. A cap to meet all conditions must be so constructed as to be pliable enough to conform to minor variations in the glass finish and still rigid enough to have the required strength to make a secure seal. All the materials going into the manufacture of caps must be checked against specifications for quality, guage and measurements, because variations cause trouble in manufacturing and also may cause trouble in the user's plant.

Many cap manufacturers maintain service departments not only to advise the packer as to the proper handling of the caps, but to assist in any of his packing problems. Should there be any trouble because of glass and cap fit, this is referred through regular channels, and handled in such a manner as to give the packer as little to worry about as possible. While some cap manufacturers still buy on the outside much of the material which they use, others not only have their own litho and liner departments, but compound their own rubber and make their own lacquer, varnish and inks, so as to control as many of their processes as is possible, although in some instances it is more expensive to do so.

All of the foregoing is with the thought in mind of producing high quality, accuracy and uniformity in an article which when received by the packer permits him to get high production with a minimum of trouble. The packers of mayonnaise putting up a high quality product, can ill afford to buy anything less than the best to be obtained in closures, so as to insure their product getting to the consumer in the best condition. It also behooves them to buy their closures from a reliable source, to get the best results.

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to be taken back to the farms for feed and a corresponding decrease of seed reaching the mills. The resolution also commented that the coconut industry in the Philippines belongs largely to foreign interests, the native labor receiving 18c. to 20c. in direct competition with the Southern farmer. The resolution asked that the tariff rate applied to the Philippines be set at 25 percent in the crushers' favor, or that imports of coconut oil be limited to 300,000,000 pounds annually.

According to figures reported to the United States Bureau of Internal Revenue by margarin manufacturers, production in November, 1929, compared with the output in November, 1928, as follows:

	Pounds	
	1929	1928
Uncolored oleomargarin	31,708,818	29,126,253
Colored oleomargarin	1,728,074	1,442,957

Walter O. Hastings, formerly Secretary of Marden, Orth and Hastings, and well known in the oil trade, died at his home in Braintree, Massachusetts, on January 1, after a protracted illness.

Armour & Co., which assumed $15,000,000 of Morris & Co.'s 7½ percent gold notes when it took over that company's packing business, will pay off the notes when they become due in September. Sinking fund provisions will then have reduced the original amount to $9,500,000. Payment will be made out of Armour & Co. surplus, which is $47,138,668.