### THE SALT TRUST.

**Has Raised Prices Fifty Per Cent Since 1897.**

Salt was on the free list of the Wilson bill—in force from August 28, 1894, to July 24, 1897. Under the McKinley and Dingley bills the duty on salt in bags or barrels was 12 cents and in bulk 8 cents per 100 pounds. These duties vary from 30 to 100 per cent and will average about 50 per cent.

Before salt was put on the free list, the manufacturers appeared at Washington declaring that such a proceeding would practically ruin the business. Thus, Mr. Thomas Molloy, secretary of the Onandaga Coarse Salt Association, told the senate committee on finance that "when salt shall be admitted free * * * our even now struggling industry shall be paralyzed or destroyed in an unequal competition with the cheaper product of foreign cheaper labor. We will then soon be made to pay the English Salt Union the price which it exacts elsewhere."

Contrary to predictions, we both produced and consumed more salt from 1895 to 1897 than ever before, as is shown by the following table of production and imports:

**Consumption of Salt in United States, in Barrels of 200 Pounds Each.**

| Year. | Domestic Production. | Net Imports. | Total Consumption. |
|---|---|---|---|
| 1890 | 8,876,991 | 1,820,427 | 10,697,418 |
| 1891 | 9,987,945 | 1,678,159 | 11,666,104 |
| 1892 | 11,698,890 | 1,614,816 | 13,313,706 |
| 1893 | 11,897,208 | 1,224,025 | 13,121,233 |
| 1894 | 12,968,417 | 1,511,792 | 14,840,209 |
| 1895 | 13,669,649 | 1,860,115 | 15,629,764 |
| 1896 | 13,850,726 | 1,795,223 | 15,645,949 |
| 1897 | 15,973,202 | 1,438,838 | 17,412,040 |
| 1898 | 17,612,634 | 1,307,972 | 18,920,606 |

**Prices and Tariff Duties.**

The average net factory price for all kinds of salt (about one-half of which is common fine salt) according to the United States Geological Survey, was 36½ cents per barrel in 1894, 32 cents in 1895, 29.2 cents in 1896, 30 8 cents in 1897 and 35.3 cents in 1898. The "net" price means the price of the salt alone; the cost of the barrel adds about 20 cents—though much coarse salt is not sold in barrels.

The present price of "factory-filled" dairy salt at works in Michigan is 55 cents as against 35 cents, or less, in 1896. The Chicago price is now 75 cents. The New York City price of same grade salt from western New York is $1.40 as against $1 to $1.10 in 1896 and 1897. Prices of salt in many middle and western states are now nearly double those of 1896.

In 1897 many manufacturers asked to have the McKinley duty on salt replaced. Over forty pages of the "Tariff Hearings" of 1897 are occupied by the statements of the manufacturers who wanted duties and of the importers, meat packers, etc., who wanted free salt. The manufacturers, in 1894, stated that the repeal of the duty would not make salt cheaper, and in 1897 that the replacement of the McKinley duty would "not perceptibly" add to the cost of salt. Yet for some indefinite and unexplained reason they wanted the duty and could not continue to live much longer without it. They got the duty and immediately began to fix prices and to form a trust which has quite "perceptibly" advanced prices.

**Salt Associations and Trusts.**

The salt manufacturers have always had an affinity for selling agencies and price agreements. In 1866 the Michigan manufacturers were uniting. The Michigan Salt Association began in 1876. It takes the product of all members and sells it—thus avoiding much competition. It has been renewed every five years since 1876 and has generally controlled about 90 per cent of Michigan's product, which is one-third of our total product. Since 1890 New York has produced more salt than Michigan and the two states now produce 70 per cent of our product.

Other similar selling agencies were in operation in New York and Ohio and each had alliances and agreements with the others. As, however, previous to 1898, but little was done to restrict production, the permanent effect upon prices was not great.

On March 20, 1899, the National Salt Company, a New Jersey concern, was incorporated with $12,000,000 capital,—5,000,000 of which is 7 per cent preferred stock. It immediately acquired the dozen or more manufactories in New York for which its predecessor, The National Salt Company, of West Virginia, was the distributing agent. Those plants were said to manufacture 90 per cent of New York's product and to have made net profits in 1898 of "not less than $450,000." By October this company had purchased many of the best plants in Ohio, West Virginia, Michigan and Kansas, had leased other plants for five year periods and had contracted for the output of other plants. Thus in the Pomeroy, Ohio, district, the trust appears to have bought and closed one plant, closed three other plants, which it had "dead rented" for five years, and contracted for the output of three more plants. In Michigan it has contracted for the product of the members of the Michigan Salt Association.

The prosecuting attorney for Meigs county and the attorney general of Ohio are proceeding against this trust to test its power to own and close furnaces which have been running for thirty years.

The United Salt Company, an Ohio corporation of 1890, appears to have been the local trust which prepared the way for the National Company. Both of these organizations are said to be officered by Standard Oil people and to be, practically, adjuncts of the Standard Oil trust. The headquarters at New York are in the building of the Standard Oil Company and Standard Oil attorneys in Ohio are defending the National Salt Company.

The National Salt Company now has a natural monopoly in many of the inland states and an artificial tariff monopoly in many of the coast states. It has only recently begun to limit production and to put up prices in the middle and western states. It will undoubtedly soon put up prices to what it considers the maximum profit point. It is said to have had an "understanding" with the Salt Union, which controls much of Great Britain's product. It is difficult to verify this statement, although New York salt importers admit that there are "friendly" relations of some kind between these organizations.

Our imported salt comes principally from Great Britain, West Indies and Italy. The cost of transportation from Liverpool averages about $1.60 per ton or 20 cents per barrel. This added to the duty gives our manufacturers an advantage in our markets of about 20 cents per 100 pounds or 50 cents per barrel. This advantage is less on the coast and greater inland. If our trust, as now seems probable, gets what is virtually a complete monopoly, there is no reason why it cannot, by charging higher prices inland, collect the whole tariff tax on all of its product. This would amount to $4,000,000 or $5,000,000 a year. It is probably collecting half this amount at present.

The only classes who have, thus far, avoided the trust are our fish packers and our exporters of meats. These enjoy the special privilege of getting their salt free and cheap. Is there any sound reason why others should be compelled to pay tribute to this trust?

BYRON W. HOLT.

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The tariff trust letter which we print today, discusses our recently formed salt trust—The National Salt Company. This trust owns many of the salt factories or furnaces in New York and Ohio and leases other factories. In addition it has contracted for the output of the most of the factories which it does not own or lease. In these ways it has, during the last few months, obtained a monopoly of the salt industry east of the Rocky Mountains, except in a few coast states. It has raised prices from 40 to 100 per cent, above those of 1896, when salt was on the free list.

Our fish industries and our meat exporters still get their salt free of duty and are not compelled to pay tribute to this trust. Why should not the rest of us be freed from its exactions?