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Sugar Import Quota Reduction Called For

A reduction in the global sugar import quota is the principal immediate measure that could help sustain the domestic sugar producing and refining, according to the National Farmers Union.

Tony T. Dechant, president of the union, said that a reduction to 4.2 million tons of sugar imports will bring producer prices up to the cost of production. He said that the proposed quota would be a 40 per cent reduction from the existing quota of seven million tons and would represent a cut of only 10 per cent from the 4.7 million tons actually imported in 1976.

An early decision was urged by the Farmers Union because sugar beet planting is already well along in areas of the South and West and an immediate decision could help persuade some producers, who are now undecided, to continue in production.

Dechant said that economic problems related to low sugar prices have already caused several refining plants to close and others may have to follow suit, leaving producers without an outlet for their beets.

The wire regarding the quota proposal was sent to the Carter Administration the day following a decision by the Administration to not impose import quotas on shoes and other footwear. The quotas had been recommended by the U.S. International Trade Commission (ITC). ITC had recommended a shoe import of 265 million pair, with imports above that level subject to a 40 per cent duty. In declining to impose quotas, the Carter Administration said that some import injury relief would be granted to the domestic shoe industry, including an attempt to negotiate voluntary restraint agreements on shoe exports by Taiwan and Korea.

Ambassador Robert Strauss, the President's special trade representative indicated that the decision on shoes does not set a precedent for future decisions on imports.

Dechant's wire to President Carter and the Secretaries of State, Agriculture and Treasury and to Strauss maintained that agriculture is different from manufacturing industries because there is no provision in the Trade Act for import injury relief assistance for farmers which is comparable to the relief available for shoes, steel and other manufacturing industries.

Dechant said that since the expiration of the U.S. Sugar Act at the end of 1974, there is no stabilization program to undergird the prices being received by producers of cane and beet sugar.