Rejection of sugar import quotas asked

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WASHINGTON (AP) Rep. Henry S. Reuss, D-Wis., called Monday for the House to reject a bill setting sugar import quotas for 32 nations and approve a substitute cutting tariffs.

Reuss said the bill approved last week by the House Agriculture Committee "distributes sugar quotas to foreign countries based on the strength of their lobbies, rather than in the economic interests of the United States."

The bill, which has the strong backing of Chairman W. R. Poage, D-Texas, sharply cuts federal payments to sugar growers, assigns new import quotas, eliminates an excise tax on the refined product and adjusts a complex "price objective formula."

The measure would make sweeping changes in the 40-year-old law under which the government regulates the domestic sugar industry. It lets stand a tariff on imports.

The Reuss proposal would retain a slight tariff and establish a system of deficiency payments which he said would protect domestic producers from undue hardship but "also encourage beet sugar farmers to shift to more economical crops."

Reuss said the committee's bill provides "an inflationary, extravagant and wasteful bonanza for a few high-cost farmers and for foreign quota holders, wholly unsuited to the growing worldwide need for low-cost sugar."

"It costs the American taxpayer and consumer far more — $300 million a year in normal times — than it delivers in benefits to American sugar producers, only $100 million per year," Reuss said in a speech to the House.

He said that under a "sensible world sugar policy, more sugar would be produced in the tropics, which are generally poor and need the income and which have no good alternative use for their land, sun and rain."