

The Coalition for Sugar Reform Commends Senator Lugar For his Fight to Reform the Sugar Program

New Legislation Demonstrates Increasing Congressional Support for Ending Archaic Sugar Policy

For Immediate Release

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(Washington, DC) March 30, 2011 – The Coalition for Sugar Reform today applauded Sen. Richard Lugar (R-IN) for championing the fight to reform U.S. sugar policy in this country with his introduction of the Free Sugar Act. The legislation – which will promote jobs, fight consumer price inflation, and reduce both the budget deficit and the level of government interference in private markets – demonstrates growing bi-partisan Congressional support for reforming a decades-old policy that has sent U.S. sugar prices to an all-time high.

“We commend Senator Lugar and his Senate colleagues on both sides of the aisle for their bipartisan support of reforming an antiquated and costly sugar policy that continues to drive up the cost of products made with sugar,” said Larry Graham, Chairman of the Coalition for Sugar Reform and President of the National Confectioners Association. “Without reform of the sugar program, companies will continue to struggle with high prices and the prospect of having to stop production if there are disruptions in the sugar supply. For small businesses especially, these are the types of factors that hamstring hiring and investments, and that very often cost jobs.”

An estimated 112,000 jobs were lost in U.S. sugar-using industries between 1997 and 2009. The U.S. Department of Commerce has stated that a chief culprit in job loss for such industries is U.S. sugar policy. In fact, the Commerce Department estimated that for every sugar growing job saved through high U.S. sugar prices, approximately three manufacturing jobs are lost.

Introduced today in the Senate, the Free Sugar Act calls for comprehensive reform by repealing the mandatory loan program to sugar processors, prohibiting further price supports, and eliminating federal mandates and quota controls. The current U.S. sugar program has kept sugar prices far above world price levels, causing American consumers, small businesses, and food manufactures to pay more for sugar than foreign consumers. This legislation seeks to end unnecessary and wasteful federal government intervention.

The Free Sugar Act follows similar reform legislation that was introduced in the Senate earlier this year by Sen. Shaheen (D-NH), Sen. Kirk (R-IL), and Sen. Durbin (D-IL). In January, Senators Shaheen, Kirk and Durbin introduced The SUGAR Act that would phase out many of the job-killing features of the current sugar program, including marketing allotments that restrict domestic sugar production, and import restraints that make it extremely difficult for food and beverage manufacturers to make use of much-needed international supplies of sugar.

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“The current sugar program is costly to consumers, costly to the government, and costly to taxpayers,” concluded Graham. “This legislation advances the case for reform that will benefit America’s economy and our nation’s trade relations, and demonstrates continued support of America’s businesses, workers, and consumers.”

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The Coalition for Sugar Reform represents consumer, trade, and commerce groups, manufacturing associations, and food and beverage companies that use sugar (including confectioners, bakers, cereal manufacturers, beverage makers and dairy companies), as well as the trade associations for these industries.