

CONGRESSIONAL PROPOSALS FOR TRADE ADJUSTMENT¹⁶

In June 1954 several bills were introduced in the 83d Congress with the purpose of providing assistance to those individuals, companies, and communities suffering serious injury or threatened with serious injury due to increased imports resulting from a national trade policy. The prototype of these bills were identical measures introduced in the Senate by the then Senator John F. Kennedy (S. 3650), and in the House by Congressman (now Senator) Harrison A. Williams, Jr. (H.R. 9652). In the 1st session of the 84th Congress, Senator Hubert H. Humphrey introduced a similar bill (S. 751), and Congressman Williams reintroduced his bill without substantial alterations (H.R. 229). Companion bills were offered by several other Congressmen, including Frank E. Smith of Mississippi (H.R. 4277) and Henry S. Reuss (H.R. 2992). In the 1st session of the 85th Congress, Senator Kennedy once more introduced his bill with only minor changes (S. 2907) as the Trade Adjustment Act of 1957. In the House similar bills were introduced or reintroduced as the Federal Tariff Reduction Adjustment Assistance Act by Smith of Mississippi (H.R. 457), Donohue (H.R. 1105), and Eberharter (H.R. 9505).

This section will outline the basic provisions of the several bills, and emphasize the points of difference both in approach and in specific provisions.

Title

The original Kennedy-Williams bill had the title "Trade Adjustment Act of 1954." The bill was reintroduced essentially without change in 1955 and 1957. The bill introduced by Congressman Smith in 1955 bore the title, "Federal Tariff Reduction Adjustment Act," amplified upon its being reintroduced in 1957 to "Federal Tariff Reduction Adjustment Assistance Act." The bill introduced by Congressman Reuss in 1955 was entitled, "Reciprocal Trade Casualties Act of 1955."

Purpose of proposed legislation

The purpose of the Kennedy-Williams bill, shared by all other proposals, except the Reuss bill, was to resolve the problem of serious adverse effects caused particular sectors of the economy by a reduction of trade barriers. It would do so by helping particular communities, industries, enterprises, and individuals avoid or ameliorate any injury they may suffer in the adjustment of their productive activities made necessary by such a reduction. The Reuss bill proposed to concentrate such assistance on enterprises only.

Administration

The Kennedy-Williams bill called for the creation of a five-member Trade Adjustment Board, appointed by the President, one member to be designated as Chairman. The Smith bill called for a three-member Board. Under the Reuss bill, no board at all was proposed; the administrative machinery to be used would have been provided solely by the Tariff Commission.

¹⁶ The proposals considered here are limited to draft legislation introduced prior to 1958. A number of additional suggestions have been included in proposals introduced into the Congress since then. These are more fully considered in Clubb and Reischer, "The Trade Adjustment Bills: Their Purpose and Efficacy," *Columbia Law Review*, March 1961, pp. 490-503.