

The Board would have acted after notification by the President, under the escape clause of the Trade Agreements Extension Act of 1951, that a reduction in the rate of duty or other import restriction had been found to threaten or cause serious injury to a domestic industry.

Criteria for eligibility

Under the Kennedy-Williams bill, any business enterprise engaged in the production of an article identical to or directly competitive with the article in question would have been eligible for adjustment assistance. Eligibility would also have extended to any unemployed individual whose last regular employment had been in a business enterprise eligible for the benefits provided, and any community with a substantial number of residents individually eligible for assistance, as well as any industrial development corporation organized for the purpose of aiding the development of a more balanced and diversified economy, or the diversification of production in a community eligible for assistance. In determining whether a particular business enterprise is eligible for these benefits, the Board would have considered first, what portion of the total production of such enterprise consists of the production of an article identical to or directly competitive with the article declared to have been the cause of injury or threatened injury, and, second, whether such enterprise had developed satisfactory proposals for programs of economic adjustment consonant with the purpose of the proposed legislation. The last provision also would have been applicable to communities and industrial development corporations.

The Reuss bill would have made assistance applicable to producers only, but particularly those well equipped to bid on Government contracts.

Information and advice

Under the Kennedy-Williams bill, any business enterprise found eligible would apply to appropriate departments and agencies of the Government for technical information, market research, or any other form of information and advice which might be of assistance in the development of more efficient methods and of new lines of production. Similarly, eligible communities and industrial development corporations could obtain information and advice to enable them to develop a more balanced and diversified economy.

According to the Smith bill, the Adjustment Board was to establish a central clearinghouse of information to facilitate the work of the various State economic development commissions and similar agencies by providing a source of statistics and other information regarding the industrial advantages offered by various distressed communities, and by providing State and local agencies with information regarding the success of various techniques for achieving diversification and otherwise avoiding the injurious effects of tariff reductions.

Use of loans and grants

The Kennedy-Williams bill would have provided for Federal financial assistance in the form of loans to business enterprises and communities eligible for assistance either directly or through industrial development corporations, from the Small Business Corporation, subject to the same safeguards as applicable under the Small Business Act.