

Under the Smith bill, the Federal Government would have paid grants to State governments who in turn would draw up appropriate adjustment plans, in the implementation of which these grants would be utilized. These programs would have included benefits to all parties involved in the adjustment process.

Unemployment compensation

The Kennedy-Williams bill provided for supplementary unemployment benefits to be paid by the individual States to unemployed individuals, for which the States would be reimbursed by the Federal Government. The supplementary payments would have been such as to make the total payment to the individual equal to two-thirds of his average weekly earning for 52 weeks.

Training and transportation

Suitable vocational rehabilitation was to be given unemployed individuals, as provided by the Kennedy-Williams bill, utilizing existing Federal facilities, and/or training facilities provided by public and private institutions as necessary. Under certain circumstances, assistance was also to be granted to transportation of an unemployed individual, his dependents and household effects to a job opportunity in a new location. The 1957 version of the bill provided for a \$150 limitation in such assistance.

Retirement

Older workers certified to be unemployed as a result of international trade policy, were to be allowed under the Kennedy-Williams bill, to retire at the age of 60 rather than 65, and the Social Security Act was to be amended to that effect.

Accelerated amortization

The Kennedy-Williams bill, as well as the Smith bill, provided that business enterprises would be allowed to take advantage of the accelerated amortization provision of the Internal Revenue Code.

Preference in defense contracts

The Reuss bill provided that any domestic producer found by the Tariff Commission to be in danger of foreign imports, would receive a certificate entitling him to a percentage advantage—up to 25 percent—in his bids on Government contracts. This would have allowed the company to keep busy while casting about for new products to sustain it in the long run. The certificate was to have been good for a limited period only.

SUMMARY AND EVALUATION

The preceding proposals incorporate a number of ideas that could be usefully applied to solving the problem of assisting in adaptation to dislocations caused by intensified import competition. Each type of measure appears to be useful on the face of it and deserving of further consideration. Taken together, however, the typical set of adjustment measures as presented, for example, by the McDonald program actually trespasses onto the field of redevelopment of depressed areas and communities for which comprehensive remedial measures were enacted in 1961.