

Third, the Trade Expansion Act of 1968 will provide for specific funding of our participation in the General Agreement on Tariffs and Trade.

This is the procedure we follow in meeting our financial responsibilities to all other international organizations.

The General Agreement on Tariffs and Trade has become the most important forum for the conduct of international trade relations. The Kennedy Round took place under its auspices. Yet since 1947, we have financed our annual contribution to this Agreement through general contingency funds rather than through a specific authorization.

I recommend that the Congress authorize specific appropriations for the American share of the expenses for the General Agreement on Tariffs and Trade.

OUR NEEDS AT HOME

When trade barriers fall, the American people and the American economy benefit. Open trade lines:

- Reduce prices of goods from abroad.
- Increase opportunities for American businesses and farms to export their products. This means expanded production and more job opportunities.
- Help improve the efficiency and competitive strength of our industries. This means a higher rate of economic growth for our nation and higher incomes for our people.

Some firms, however, have difficulty in meeting foreign competition, and need time and help to make the adjustment.

Since international trade strengthens the nation as a whole, it is only fair that the government assist those businessmen and workers who face serious problems as a result of increased imports.

The Congress recognized this need—in the Trade Expansion Act of 1962—by establishing a program of trade adjustment assistance to businessmen and workers adversely affected by imports.

Unfortunately, this program has been ineffective. The test of eligibility has proved to be too rigid, too technical, and too complicated.

As part of a comprehensive trade expansion policy, I propose that we make our adjustment assistance program fair and workable.

I recommend that Congress broaden the eligibility for this assistance. The test should be simple and clear: relief should be available whenever increased imports are a substantial cause of injury.

I intend to pattern the administration of this program on the Automotive Products Trade Act of 1965. Determinations of eligibility will be made jointly by the Secretaries of Labor, Commerce and Treasury.

The adjustment assistance provisions of Automotive Product Trade Act of 1965 have been successful. They have well served American automobile firms and their workers as we have moved to create an integrated U.S.-Canadian auto market.

These provisions will expire on June 30.

I recommend that the Congress extend the adjustment assistance provisions of the Automotive Products Trade Act through June 30, 1971.