

It is my position, strongly urged upon the committee, that although restrictive provisions of one kind or another might decrease unemployment in particular industries they would increase unemployment in American industry as a whole because of the reciprocal effect against our exports.

Putting it differently, and emphasizing the point as strongly as I can, I think employment in this country will be maximized by a reduction in trade barriers and that net unemployment will be increased by the imposition of trade barriers.

That will obviously not be true in particular industries.

I think this is important, exceedingly important, as far as the total picture is concerned. I would, therefore, urge upon the committee, as strongly as I can, the meeting of particular problems which are presented as a result of imports through the adjustment assistance provisions of the Trade Expansion Act modified as it is proposed that they be modified in H.R. 17551, such procedures will have no negative effect upon exports, would increase our employment, and will meet the problems of particular unemployment in a way which is limited to those particular situations.

We urge very strongly in this connection changes in the adjustment assistance provisions of the Trade Expansion Act of 1962. We do that for this reason. It was emphasized in 1962 that provision would be made to meet individual situations which developed under that act and which resulted in dislocation.

Twenty-five times American industry, firms, and American workers have, in the intervening years come to the Tariff Commission with requests for tariff adjustments, and other adjustment assistance under these provisions and 25 times they have been denied. Twelve of those applications were on the part of industries as a whole. Seven of them were on behalf of individual firms. Six of them were on behalf of groups of workers.

In every single instance the relief requested has been denied.

I believe that we have played false with the expectations of those who were the subject of our representations in 1962.

It is therefore urged very strongly that the provisions of sections 301 and 302 of the Trade Expansion Act be modified in these respects:

First, that the standard for the granting of relief for firms and groups of workers be modified. Summarizing and shortening the words of the statute, the present act requires that in order for there to be relief the increased imports affecting employment must be the result, in major part, of tariff concessions and the imports must constitute, in effect, the major cause of the unemployment or of the injury to the firm.

We propose substituting for that standard one which is not limited to the effect of concessions but which applies to any case of increased imports, and one in which the rule is not one of imports as the major cause of the unemployment or the injury but rather a substantial cause of the unemployment or of the injury to the firm.

The second major change involves procedures. Where the present Trade Expansion Act requires that these matters all go to the Tariff Commission, the proposal in H.R. 17551 is that the present procedure be followed in the case of applications on the part of industries as a whole but that the procedure be changed insofar as the applications come from groups of workers or particular firms for adjustment