

assistance. It is proposed that where the applications come from groups of workers or particular firms the application be addressed to the President instead of to the Tariff Commission.

This procedure was put into effect in 1965 to implement the United States-Canadian Automotive Agreement. This provides that the application be to the President and that upon its receipt the President shall request the Tariff Commission to make such investigation of the facts as may be appropriate in the particular case but that he act then upon the application.

In practical operating effect the pattern proposed, as indicated by the President in his message, is the procedure which has been followed in the case of the Automotive Products Trade Act. This calls for the establishment of an Adjustment Assistance Board, including the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Labor, to whom the President delegates the authority for acting upon these cases.

We also propose a change in the criteria for determining eligibility of firms and workers for adjustment assistance. At present eligibility can be found only if a tariff concession is found to be a major cause of the injury. H.R. 17551 changes this to increased imports whether or not directly traceable to tariff concessions as a substantial cause of the injury or threatened injury. Although not identical to the criteria under the act, yet, it is more nearly like it.

To give you some impression of the way in which this procedure will work as contrasted with the procedure in the Trade Expansion Act of 1962, there have been in the last 3 years, since the enactment of the Automotive Products Trade Act of 1965, 21 applications for assistance on behalf of workers. There has been favorable action taken in 14 of the 21 cases.

The number of employees involved is not large. It is about 2,500 over this period, but the effect of it seems to us to be of very great significance.

I should note in comparing the criteria in H.R. 17551 with the criteria established in the Automotive Products Trade Act that they are different. We are not proposing the same standard. The "substantial cause" standard is not a repetition of the Automotive Act.

In short, therefore, Mr. Chairman and members of the committee, what we are proposing is that the procedure here in H.R. 17551, be the procedure which was adopted in the Automotive Products Trade Act as far as firms and groups of workers are concerned and that the standard for relief be a substantial cause standard rather than the major cause standard as in the 1962 legislation.

Beyond that, Mr. Chairman, members of the committee, I testify in support of what is proposed in H.R. 17551 as far as the American selling price provisions are concerned.

Finally, Mr. Chairman and members of the committee, I urge strongly the extension for an additional 3-year period of the adjustment assistance provisions of the Automotive Products Trade Act of 1965 in its present form and without modifications. It is our judgment that that procedure is working well and we urge that it be extended for a period which would carry it to July 1, 1971.

Thank you, Mr. Chairman.

(Secretary Wirtz prepared statement follows:)