

I doubt that Congress is prepared to take such a radical step in order to provide foreign markets for specific businesses. However, if it does permit the President to do so by sacrificing other individual businesses, it has a moral, if not a legal obligation, to compensate the sacrificed businesses and the workers displaced as result.

For the reasons I have stated, the changes in the adjustment assistance provisions of the law proposed by the President will not be effective. Until the Congress is prepared to enact laws providing for such compensation, it is submitted that effective measures for preventing any such sacrifices must be enacted.

This can be accomplished by amending the Trade Expansion Act of 1962 so as to reestablish the peril point and escape clause procedures contained in the former law, but with mandatory provisions under which the President would be precluded from granting any concession below the peril point and would be required to proclaim such increased duties, or to impose such import quotas or other restrictions, as may be recommended by the Tariff Commission in escape clause actions.

Thank you, Mr. Chairman. That completes my statement.  
(Mr. Tilden's prepared statement follows:)

STATEMENT OF RICHARD A. TILDEN, ON BEHALF OF DOMESTIC PRODUCERS OF SLIDE FASTENERS, AND PARTS THEREOF, WOODEN SPRING CLOTHESPINS, WOODEN STANDARD CLOTHESPINS, CERTAIN FLAT VENEER PRODUCTS

#### SUMMARY

This statement is designed to demonstrate through specific examples taken from the experiences of the slide fastener, clothespin and flat veneer products industries in seeking adequate tariff protection, that the "peril point" and "escape clause" procedures in effect prior to 1962, and the "adjustment assistance" procedure which has been in effect since 1962, have been ineffective to avoid or remedy injury to domestic industries resulting from trade agreement concessions, that remedial legislation is essential to avoid imposing unnecessary and unfair hardships on countless workers, businesses and small communities, and that the changes in the "adjustment assistance" procedure proposed by the President will not be effective.

While it is recognized that the provision of foreign markets for American producers, through tariff concessions, will aid the national economy, the statement contends that if a single American industry, or even a single business or worker, is to be sacrificed to obtain such concessions, an effective means of compensating such sacrificed industry, business or worker should be devised. The taking of a business or of a worker's job to benefit other businesses or workers in aid of the over-all national economy, cannot be distinguished from the taking of real property for use as an interstate highway. In the latter case, the Constitution requires that the owner receive "just compensation". A man's business or job is just as important to him as his real property and when his business or job is taken for the benefit of others or in order to aid the national economy, he should be compensated.

Recommendations are made as to specific legislation needed to prevent such sacrifices until such time as Congress is prepared to provide compensation to businesses and workers sacrificed under the trade agreement program.

#### PURPOSE OF STATEMENT

This statement is presented on behalf of all of the domestic producers of wooden spring and standard clothespins, the domestic producers of more than 80 per cent of slide fasteners and parts thereof and the domestic producers of more than 90 per cent of such flat veneer items as wooden spoons and forks, ice cream sticks, toothpicks, tongue depressors, et cetera, manufactured in the United States. The names, addresses and factory locations of these domestic producers appear on "Appendix A", attached to this statement.