

## TRADE EXPANSION ACT OF 1962

OCTOBER 2, 1962.—Ordered to be printed

Mr. MILLS, from the committee of conference, submitted the following

### CONFERENCE REPORT

[To accompany H R 11970]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11970) to promote the general welfare, foreign policy, and security of the United States through international trade agreements and through adjustment assistance to domestic industry, agriculture, and labor, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 6, 7, 8, 9, 12, 13, 14, 21, 22, 34, 35, 45, 46, 47, 48, 50, 83, 85, and 91.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 10, 11, 15, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 36, 37, 39, 40, 41, 42, 43, 44, 52, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 71, 72, 73, 75, 76, 77, 78, 79, 80, 81, 86, 87, 89, 90, 92, 93, and 94, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *world; and;* and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

*(3) to prevent Communist economic penetration.*

And the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*(S) notwithstanding any provision of any trade agreement under this Act and to the extent he deems necessary and appropriate, impose duties or other import restrictions on the products of any foreign country or instrumentality establishing or maintaining such foreign import restrictions against United States agricultural products, when he deems such duties and other import restrictions necessary and appropriate to prevent the establishment or obtain the removal of such foreign import restrictions and to provide access for United States agricultural products to the markets of such country or instrumentality on an equitable basis.*

And the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *into, and, when referring to a rate of duty, refers to the rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) existing on such day.;* and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with amendments as follows:

Page 9, line 20, of the Senate engrossed amendments, strike out "section 350" and insert *sections 323 and 350*

Page 10, line 5, of the Senate engrossed amendments, after "United States" strike out the comma.

Page 10 of the Senate engrossed amendments, strike out lines 7 to 22, inclusive, and in lieu thereof insert the following:

*"(2) The lowest preferential or nonpreferential rate of duty in rate column numbered 1 for each item in schedules 1 to 7, inclusive, of the Tariff Schedules of the United States on the effective date provided in section 501(a) of this Act shall be treated as the lowest preferential or nonpreferential rate of duty, respectively, existing on July 1, 1962; except that in the case of any such item included in a supplemental report made pursuant to section 101(c) of this Act to reflect a change proclaimed by the President after July 1, 1962 (other than a change to which the United States was committed on July 1, 1962), the rate treated as the lowest nonpreferential rate of duty existing on July 1, 1962, shall be the rate which the Commission specifically declares in such supplemental report to be the rate which, in its judgment, conforms to the fullest extent practicable to the rate regarded as existing on July 1, 1962, under section 256(4) of the Trade Expansion Act of 1962.*

And the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows:

Page 12, lines 5 and 6, of the Senate engrossed amendments, strike out "on any fish in any form imported from such country into the United States," and insert in lieu thereof the following: *on any fish (in any form) which is the product of such country;*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows:

Page 12, line 23, of the Senate engrossed amendments, strike out "or for the negotiation of an agreement under section 352"; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows:

Page 15, line 5, of the Senate engrossed amendments, strike out "such", and insert in lieu thereof *interested*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with amendments as follows:

Page 42, of the House engrossed bill, strike out line 9 and all that follows through line 3 on page 43, and insert:

*(b) Effective with respect to net operating losses for taxable years ending after December 31, 1955, subsection (b) of section 172 of the Internal Revenue Code of 1954 (relating to net operating loss carrybacks and carryovers) is amended to read as follows:*

*"(b) NET OPERATING LOSS CARRYBACKS AND CARRYOVERS.—*

*"(1) YEARS TO WHICH LOSS MAY BE CARRIED.—*

*"(A)(i) Except as provided in clause (ii), a net operating loss for any taxable year ending after December 31, 1957, shall be a net operating loss carryback to each of the 3 taxable years preceding the taxable year of such loss.*

*"(ii) In the case of a taxpayer with respect to a taxable year ending on or after December 31, 1962, for which a certification has been issued under section 317 of the Trade Expansion Act of 1962, a net operating loss for such taxable year shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.*

*"(B) Except as provided in subparagraph (C), a net operating loss for any taxable year ending after December 31, 1955, shall be a net operating loss carryover to each of the 5 taxable years following the taxable year of such loss.*

*"(C) In the case of a taxpayer which is a regulated transportation corporation (as defined in subsection (i)(1)), a net operating loss for any taxable year ending after December*

31, 1955, shall (except as provided in subsection (j)) be a net operating loss carryover to each of the 7 taxable years following the taxable year of such loss.

Page 43, line 5, of the House engrossed bill, strike out "subsection (i)," and insert: *subsections (i) and (j)*,

Page 44, line 2, of the House engrossed bill, strike out "(1)(B)" and insert: *(1)(A)(ii)*

Page 44, line 25, of the House engrossed bill, strike out "(1)(B)" and insert: *(1)(A)(ii)*

And the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *or, if the article is dutiable but no rate existed on July 1, 1934, the rate existing at the time of the proclamation, ;* and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *4 years (or, in the case of any such increase or imposition proclaimed pursuant to such section 7, 5 years);* and the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *applicable;* and the Senate agree to the same.

W. D. MILLS,  
CECIL R. KING,  
HALE BOGGS,  
EUGENE J. KEOGH,  
NOAH MASON,  
JOHN W. BYRNES,  
HOWARD H. BAKER,

*Managers on the Part of the House.*

HARRY F. BYRD,  
ROBT. S. KERR,  
RUSSELL B. LONG,  
GEORGE SMATHERS,  
By H. F. B.

JOHN J. WILLIAMS,  
FRANK CARLSON,  
By J. M.

CARL T. CURTIS,  
*Managers on the Part of the Senate.*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11970) to promote the general welfare, foreign policy, and security of the United States through international trade agreements and through adjustment assistance to domestic industry, agriculture, and labor, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 2, 3, 10, 11, 19, 24, 26, 27, 30, 31, 32, 33, 36, 37, 40, 42, 43, 44, 46, 47, 48, 49, 50, 54, 56, 60, 68, 79, 80, 81, 82, 83, 86, 92, 93, and 94. With respect to these amendments (1) the House either recedes or recedes with amendments which are technical, clerical, clarifying, or conforming in nature, or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

Amendments Nos. 1 and 4: Section 102 of the bill as passed by the House provided that the purposes of the Trade Expansion Act of 1962 are, through trade agreements affording mutual benefits—

(1) to stimulate the economic growth of the United States and maintain and enlarge foreign markets for the products of U.S. agriculture, industry, mining, and commerce;

(2) to strengthen economic relations with foreign countries through the development of open and nondiscriminatory trading in the free world;

(3) to assist in the progress of countries in the earlier stages of economic development; and

(4) to prevent Communist economic penetration.

Senate amendment No. 1 inserts the word "trade" before "benefits" in the introductory clause, thus making the phrase read "affording mutual trade benefits". The House recedes. Senate amendment No. 4 struck out the purposes specified in (3) and (4) above. The House recedes with an amendment. Under the conference agreement, the purpose specified in (4) is restored to the bill.

Amendments Nos. 5, 6, 7, 8, 9, 12, 13, 14, and 45: Chapter 2 of title II of the bill as passed by the House contains special provisions concerning the European Economic Community under which the President is authorized to reduce by more than 50 percent (or to remove) duties on certain articles. Under the Senate amendments, the Free European Trading Community was substituted for the European Economic Community. Under Senate amendment No. 45, the term "Free European Trading Community" was defined (sec. 256 of the bill) to mean (A) the European Economic Community, and (B) any country, designated by the President, which is a member of the European Free Trade Association. The Senate recedes.

Amendments Nos. 15, 16, 17, and 18: Section 221 of the bill as passed by the House requires the Tariff Commission to advise the President with respect to each article listed by the President for possible tariff concession of its judgment as to the probable economic effect of modifications of duties or other import restrictions on industries producing like or directly competitive articles. Under Senate amendment No. 15, this advice is required so as to assist the President in making an informed judgment as to the impact that might be caused by such modifications on U.S. industry, agriculture, and labor.

Senate amendments Nos. 16 and 18 are technical amendments transferring the requirement for public hearings from the last sentence of subsection (b) of section 211 to a new subsection (d).

Senate amendment No. 17 adds a new subsection (c) to section 221 of the bill. The new subsection requires the Tariff Commission, in preparing its advice to the President, to the extent practicable to—

(1) investigate conditions, causes, and effects relating to competition between the foreign industries producing the articles in question and the domestic industries producing the like or directly competitive articles;

(2) analyze the production, trade, and consumption of each like or directly competitive article, taking into consideration employment, profit levels, and use of productive facilities with respect to the domestic industries concerned, and such other economic factors in such industries as it considers relevant, including prices, wages, sales, inventories, patterns of demand, capital investment, obsolescence of equipment, and diversification of production;

(3) describe the probable nature and extent of any significant change in employment, profit levels, use of productive facilities, and such other conditions as it deems relevant in the domestic industries concerned which it believes such modifications would cause; and

(4) make special studies (including studies of real wages paid in foreign supplying countries), whenever deemed to be warranted, of particular proposed modifications affecting U.S. industry, agriculture, and labor, utilizing to the fullest extent practicable the facilities of U.S. attachés abroad and other appropriate personnel of the United States.

The House recesses on Senate amendments Nos. 15, 16, 17, and 18.

Amendment No. 20: Section 225(b) of the bill as passed by the House required the President, during the 4-year period which begins on the date of the enactment of the bill, to reserve certain articles (with respect to which a majority of the Tariff Commission has, under prior law, found serious injury or threat thereof) from negotiation under the bill for the reduction of any duty or other import restriction or the elimination of any duty. Senate amendment No. 20 requires the reservation to be 5 years rather than 4 years. The House recesses.

Amendment No. 21: Section 231 of the bill as passed by the House directs the President to suspend, withdraw, or prevent the application of any trade agreement concessions to products of any country or area dominated or controlled by Communism. Senate amendment No. 21 struck out "any country or area dominated or controlled by Communism" and inserted "the Union of Soviet

Socialist Republics, Communist China, and any other country or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement". The Senate recesses.

Amendment No. 22: The bill as passed by the House provided that the Special Representative for Trade Negotiations shall be the chief representative of the United States for each negotiation held under the authority granted in title II of the bill. Senate amendment No. 22 provided that the Special Representative shall be the chief representative of the United States for each general multilateral negotiation under such authority. The Senate recesses. While it is not contemplated that the Special Representative for Trade Negotiations will be required personally to conduct relatively minor negotiations, he will be responsible for all negotiations conducted under title II of the bill. The Special Representative has authority to employ a staff to assist him in carrying out his various responsibilities under the bill. In addition, he may from time to time draw upon the personnel and resources of other agencies for his needs in this regard.

Amendments Nos. 23, 25, and 28: Under the bill as passed by the House, the chairman of the interagency organization provided for by section 242 of the bill was to be a Cabinet officer selected by the President, and the Special Representative for Trade Negotiations was to be an ex officio member of such organization. Under Senate amendments Nos. 23, 25, and 28 the Special Representative is to be chairman of the interagency organization. The House recesses.

Amendment No. 29: Under the bill as passed by the House, the interagency trade organization is required to meet periodically at such times as the President or the chairman directs. This amendment deletes the word "periodically". The House recesses.

Amendments Nos. 34 and 35: Section 252(a) of the bill as passed by the House directs the President to take certain action whenever unjustifiable foreign import restrictions impair the value of tariff commitments made to the United States, oppress the commerce of the United States, or prevent the expansion of trade on a mutually advantageous basis. Under Senate amendment No. 34 the word "unjustifiable", appearing before the phrase "foreign import restrictions", was stricken, and under Senate amendment No. 35 the word "unjustifiably" was inserted before the phrase "oppress the commerce of the United States". The Senate recesses on Senate amendments Nos. 34 and 35.

Amendment No. 38: Section 252(a) of the bill as passed by the House requires that, whenever unjustifiable foreign import restrictions impair the value of tariff commitments made to the United States, oppress the commerce of the United States, or prevent the expansion of trade on a mutually advantageous basis, the President shall take certain action to obtain the elimination or reduction of the restrictions. Senate amendment No. 38 required the President, acting under section 252(a), notwithstanding any provision of any trade agreement under the bill, to impose duties or other import restrictions on the products of any foreign country or instrumentality establishing or maintaining foreign import restrictions described in section 252(a) against U.S. agricultural products, to the extent he deems such duties and other import restrictions necessary to prevent the establishment or obtain the removal of such foreign import restrictions and to provide access for U.S. agricultural products to the markets of such

country or instrumentality on an equitable basis. The House recedes with an amendment. Under the conference agreement the President is to exercise the authority to impose duties and other import restrictions contained in Senate amendment No. 38, notwithstanding any provision of any trade agreement under the bill and to the extent he deems necessary and appropriate, when he deems such duties and other import restrictions necessary and appropriate to prevent the establishment or obtain the removal of the foreign import restrictions described in section 252(a) and to provide access for U.S. agricultural products to the markets of such country or instrumentality on an equitable basis.

Amendment No. 39: Section 252(b) of the bill as passed by the House directs the President, among other things, to deny trade agreement benefits to products of a country which maintains nontariff trade restrictions which substantially burden U.S. commerce in a manner inconsistent with provisions of trade agreements, and the section specifically includes within such nontariff trade restrictions "unlimited variable import fees". Senate amendment No. 39 includes within such nontariff trade restrictions variable import fees, whether unlimited or not. The House recedes.

Amendment No. 41: Under this amendment the President is given the authority to deny trade agreement benefits to products of any country or instrumentality maintaining unreasonable import restrictions which, directly or indirectly, substantially burden U.S. commerce. This authority may be exercised to the extent that the action is consistent with the purposes set forth in section 102 of the bill and with due regard to the international obligations of the United States. The House recedes.

Amendment No. 51: This is a technical amendment making certain changes in the Tariff Classification Act of 1962 required by the enactment of the Trade Expansion Act of 1962. The House recedes with technical and clarifying amendments.

Amendment No. 52: This amendment makes it clear that the provisions of the bill do not in any way affect section 22 of the Agricultural Adjustment Act, or any import restriction thereunder. The House recedes.

Amendment No. 53: This amendment adds a new section to the Tariff Act of 1930 relating to conservation of fishery resources. Under this section the President is directed, upon the convocation of a conference on the use or conservation of international fishery resources, to use all appropriate means to persuade other countries whose practices or policies affect such resources, to negotiate in good faith concerning such use or conservation. If any country, the conservation practices or policies of which affect the interests of the United States and of other countries agreeing to engage in such negotiations, fails or refuses to negotiate in good faith, the President may, with a view to inducing such country to negotiate in good faith, increase the rate of duty on imports into the United States of any fish in any form which is imported from such country to a rate not more than 50 percent above the rate existing on July 1, 1934. Any such increase may continue for such time as the President deems necessary. The House recedes with an amendment to relate any such increase in rates of duty to products of such country rather than to imports from such country.

Amendment No. 55: Section 301(a) of the bill as passed by the House provides for the filing of petitions for tariff adjustment under



section 351 and of petitions for determinations of eligibility to apply for adjustment assistance under title III. It also states who may file such petitions. This amendment sets forth the two types of petitions in separate paragraphs, and authorizes the filing of petitions for the negotiation of agreements under section 352 (added by Senate amendment No. 90). The House recedes with an amendment deleting the language in the Senate amendment relating to the filing of petitions for the negotiation of agreements under section 352.

Amendments Nos. 57, 62, and 65: Under section 301 of the bill as passed by the House, the Tariff Commission is required to make certain determinations of injury. Such determinations are to be made in the case of industries under section 301(b)(1), in the case of firms under section 301(c)(1), and in the case of groups of workers under section 301(c)(2). In each case, under the House bill, the Tariff Commission must determine "whether, as a result of concessions granted under trade agreements" an article is being imported into the United States in such increased quantities as to cause or threaten to cause the particular injury. Under Senate amendments Nos. 57, 62, and 65 the Tariff Commission must determine "whether, as a result *in major part* of concessions granted under trade agreements" an article is being imported in such increased quantities as to cause or threaten to cause the particular injury. The House recedes.

Amendments Nos. 58, 63, and 89: Under sections 301 (b)(2) and (c)(1) of the bill as passed by the House the Tariff Commission is required, in making its determinations under those sections, to take into account "all economic factors which it considers relevant, including idling of productive facilities, inability to operate at a profit, and unemployment or underemployment". Under section 351(d)(4) as passed by the House, the Tariff Commission is required, in advising the President under section 351(d) as to the probable economic effect of certain action on the industry concerned, to take into account "all economic factors which it considers relevant, including idling of productive facilities, inability to operate at a profit, and unemployment or underemployment." Under Senate amendments Nos. 58, 63, and 89, sections 301(b)(2), 301(c)(1), and 351(d)(4) are each amended to insert the words "level of reasonable" before the word "profit". Thus, under these amendments, the Tariff Commission is required to consider the inability of an industry or a firm to "operate at a level of reasonable profit" instead of considering the inability of the firm or industry to "operate at a profit." The House recedes.

Amendments Nos. 59 and 66: Under the bill as passed by the House, the Tariff Commission is required under certain conditions to determine whether as a result of concessions granted under trade agreements an article is being imported in such increased quantities as to cause, or threaten to cause (1) serious injury to the domestic industry or firm producing like or directly competitive articles, or (2) unemployment or underemployment of a significant number or proportion of the workers in a firm (or subdivision thereof) producing like or directly competitive articles. Under amendments Nos. 59 and 66, increased imports must be considered to cause, or threaten to cause, the injury or unemployment or underemployment, as the case may be, whenever the Tariff Commission finds, in an appropriate investigation, that they have been "the major factor" in causing, or threatening to cause, such injury or unemployment or underemployment. The

House recedes. It is intended that the same degree of causal connection provided for under these amendments will also be applicable to the determinations to be made by the Secretary of Commerce under section 302(b)(1), and by the Secretary of Labor under section 302(b)(2).

Amendments Nos. 61, 64, and 67: Under section 301(c) of the bill as passed by the House, the Tariff Commission is required, whenever a firm or a group of workers petitions for a determination of eligibility to apply for adjustment assistance, to make not only the investigation necessary to that determination but also the investigation necessary for an industry determination under section 301(b). Senate amendments Nos. 61 and 64 delete the requirement that industry determinations be made on petitions under section 301(c) and provide in lieu thereof that investigations under section 301(c) be made promptly. Senate amendment No. 67 deletes section 301(c)(3) of the bill as passed by the House under which the Tariff Commission could provide that, during a period beginning not earlier than 30 days after publication of notice of hearings with respect to an industry and ending not later than the date of the report of the Commission with respect thereto, no petition for a determination of eligibility to apply for adjustment assistance could be filed by a firm or group of workers in such industry with respect to the same articles. The House recedes on Senate amendments Nos. 61, 64, and 67.

Amendments Nos. 69 and 70: Section 301(d) of the bill as passed by the House requires the Tariff Commission, in the course of any investigation under section 301, to hold public hearings, after reasonable notice, and to afford interested parties an opportunity to be present at the hearings, and to produce evidence and be heard. Senate amendment No. 69 continues this requirement but limits it to investigations under section 301(b) (industry determinations). Senate amendment No. 70 adds a new paragraph to section 301(d) setting forth the hearing requirements in the case of investigations under section 301(c) (determinations of eligibility of firms and groups of workers to apply for adjustment assistance). Under this amendment a hearing is not required in the case of a section 301(c) investigation unless requested by the petitioner, or, within 10 days after notice of the filing of a petition, by any other party showing a proper interest in the subject matter of the investigation. The House recedes on Senate amendment No. 69. The House recedes on Senate amendment No. 70 with an amendment to make it clear that, where a request for hearings has been made in connection with an investigation under section 301(c), any interested party will be given an opportunity to be present, produce evidence, and be heard at such hearings.

Amendments Nos. 71 and 72: Section 301(f)(2) of the bill as passed by the House requires the Tariff Commission to make a report of its determination as to any industry investigation under section 301(b) "not later than 120 days after the date on which the petition is filed (or the date on which the request or resolution is received or the motion is adopted, as the case may be), unless the President extends such time for an additional period, which shall not exceed 30 days." Senate amendment No. 71 requires that any such report must be filed not later than 6 months after the relevant date, and Senate amendment No. 72 strikes the authority of the President to extend for 30 days the time for filing such a report. The House recedes.

Amendment No. 73: This amendment prohibits, for the 60-day period following the enactment of the bill, (1) the filing of petitions for tariff adjustment and for determinations of eligibility to apply for adjustment assistance, and (2) the making of requests, resolutions, or motions for Tariff Commission investigations under section 301(b). The amendment would not, however, prevent the continuation, as though a petition for tariff adjustment under section 351 had been filed, of any investigation commenced under section 7 of the Trade Agreements Extension Act of 1951 (escape-clause provisions), which is in progress on the date of enactment of the bill. The House recesses.

Amendment No. 74: This amendment authorizes the President, after receiving an affirmative finding from the Tariff Commission under section 301(b) with respect to any industry, to provide tariff adjustment for such industry under section 352 (added to the bill by Senate amendment No. 90) which relates to orderly marketing agreements. The House recesses with certain technical amendments which are required by the enactment on September 27, 1962, of Public Law 87-710.

Amendment No. 75: Under section 323(c)(1) of the bill as passed by the House, the amount of trade readjustment allowance payable for any week to an adversely affected worker, who is not undergoing training approved by the Secretary of Labor, is reduced by the amount of unemployment insurance to which such worker is entitled with respect to such week, whether or not such worker has filed a claim for the insurance. Under Senate amendment No. 75, the amount of trade readjustment allowance payable to any such worker for any such week is reduced only by the amount of unemployment insurance which he has received or is seeking with respect to such week. If the appropriate State or Federal agency finally determines that such worker is not entitled to such insurance for such week, the reduction will not apply. The House recesses.

Amendments Nos. 76 and 77: The first sentence of section 323(d) of the bill as passed by the House provides that if unemployment insurance, or a training allowance under the Manpower Development and Training Act of 1962 or the Area Redevelopment Act, is payable to an adversely affected worker for weeks for which he would have been entitled to trade readjustment allowances if he had applied for such allowances, the number of weeks for which he may receive trade readjustment allowances is reduced by the number of weeks for which such unemployment insurance or such training allowances are payable. Under Senate amendment No. 76, the number of weeks for which any such worker may receive trade readjustment allowances is reduced only by the number of weeks for which such unemployment insurance or training allowances are actually paid to such worker.

The second sentence of section 323(d) of the House bill provides that if the unemployment insurance or the training allowance payable to an adversely affected worker for any week is less than the amount of the trade readjustment allowance to which such worker would be entitled if he applied for such allowance, he will, when determined to be entitled to such allowance, be paid an additional amount equal to the difference for each of the earlier weeks. Under Senate amendment No. 77, such additional amount will be payable only if the worker was actually paid unemployment insurance or a training

allowance for the relevant week. The House recedes on Senate amendments Nos. 76 and 77.

Amendment No. 78: Section 323(g) of the bill as passed by the House provided for reimbursing State agencies making payments of unemployment insurance under State law to adversely affected workers for weeks during which they were undergoing training approved by the Secretary of Labor. The reimbursement was to be made to the extent that the reimbursed insurance payment did not exceed the trade readjustment allowance which the worker would have received if he had applied for such allowance and had not received the State payment.

Senate amendment No. 78 strikes out section 323(g) of the bill as passed by the House and inserts a new section 323(g). Paragraph (1) of the new section 323(g) provides that if unemployment insurance is paid under a State law to an adversely affected worker for a week for which—

- (1) he receives a trade readjustment allowance, or
- (2) he makes application for a trade readjustment allowance and would be entitled (determined without regard to subsec. (c) or (e) of sec. 323) to receive such allowance,

the State agency making such payment shall, unless it has been reimbursed for such payment under other Federal law, be reimbursed from funds appropriated to the Secretary of Labor to carry out his functions under the bill in connection with furnishing adjustment assistance to workers, to the extent such payment does not exceed the amount of the trade readjustment allowance which such worker would have received, or would have been entitled to receive, as the case may be, if he did not receive a State payment. As under the bill as passed by the House, the amount of reimbursement is to be determined by the Secretary of Labor on the basis of reports furnished to him by the State agency.

Paragraph (2) of the new section 323(g) (for which there was no comparable provision in the House bill) provides that, in any case in which a State agency is reimbursed under paragraph (1) for payments of unemployment insurance made to an adversely affected worker, such payments, and the period of unemployment of such worker for which such payments were made, may be disregarded under the State law (and for purposes of applying sec. 3303 of the Internal Revenue Code of 1954) in determining whether or not an employer is entitled to a reduced rate of contributions permitted by the State law. The House recedes. It is the understanding of the managers on the part of the House that, with respect to the conference action on Senate amendment No. 78, the conferees on the part of both the House and the Senate intend that if—

- (1) payments of unemployment insurance are made by a State to an adversely affected worker and the State agency is reimbursed for such payments, and
- (2) such payments, and the period of unemployment of such worker for which such payments were made, are disregarded under State law in determining whether or not an employer is entitled to a reduced rate of contributions permitted by State law, then the worker is not to have his eligibility for unemployment insurance under the State law reduced on account of such payments.

Amendments Nos. 84, 85, and 88: Section 351(c) of the bill as passed by the House provides, among other things, that any increase

in, or imposition of, any duty or other import restriction proclaimed under section 351 of the bill or section 7 of the Trade Agreements Extension Act of 1951 (escape-clause provisions) shall terminate not later than the close of the date which is 4 years after the effective date of the initial proclamation, or the date of the enactment of the bill, whichever is the later; unless the President extends the same in whole or in part for such periods (not in excess of 4 years at any one time) as he may determine. Senate amendments Nos. 84 and 85 change "4 years" where it appears in section 351(c) of the House bill to "5 years". The House recedes on Senate amendment No. 84 with an amendment providing a 4-year period with respect to future action proclaimed pursuant to section 351 of the bill, and a 5-year period with respect to action proclaimed pursuant to section 7 of the Trade Agreements Extension Act of 1951. The Senate recedes on Senate amendment No. 85.

Senate amendment No. 88 is a technical amendment conforming to Senate amendments Nos. 84 and 85. The House recedes with an amendment conforming this provision to the conference action with respect to amendments Nos. 84 and 85.

Amendment No. 87: This amendment permits the Tariff Commission "upon its own motion," as well as upon request by the President, to advise the President of its judgment as to the probable economic effect on the industry concerned of the reduction or termination of any increase in, or imposition of, duty or other import restriction proclaimed pursuant to section 351 of the bill or section 7 of the Trade Agreements Extension Act of 1951. The House recedes.

Amendment No. 90: This amendment adds a new section 352 to the bill as passed by the House which relates to orderly marketing agreements. Under this section the President may, after receiving an affirmative finding of the Tariff Commission with respect to an industry, negotiate international agreements with foreign countries limiting the export from such countries to the United States of any article the increased imports of which the Tariff Commission has found to be causing, or threatening to cause, serious injury to the industry. This authority is to be exercised by the President in his discretion, instead of providing tariff adjustment under section 351, when he determines such action to be more appropriate than action under section 351 to prevent or remedy the injury to the industry. The House recedes.

Amendment No. 91: This amendment adds a new section to the bill giving the President additional authority to increase tariffs, impose new tariffs on articles not otherwise subject to duty, and impose quotas when he finds it to be in the national interest. The Senate recedes.

W. D. MILLS,  
CECIL R. KING,  
HALE BOGGS,  
EUGENE J. KEOGH,  
NOAH MASON,  
JOHN W. BYRNES,  
HOWARD H. BAKER,

*Managers on the Part of the House.*