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Read the report at:

<http://www.policymattersohio.org/TradeAdjustmentAssistance2010.htm>

Ohio Certifications for Trade Assistance Grow

The U.S. Department of Labor certified more than 20,000 Ohio workers for help last year under the Trade Adjustment Assistance program, nearly double the annual average over the previous three years, a new report from Policy Matters Ohio has found.

Trade Adjustment Assistance (TAA) provides help to workers who lose their jobs because of rising imports or shifts in U.S. production to overseas locations. Workers may receive additional unemployment benefits, training and a health coverage tax credit, among other benefits. Last year, the American Recovery and Reinvestment Act substantially enhanced benefits under the program and widened eligibility to cover more workers.

Since those provisions became effective May 18, 2009, the number of Ohio workers certified to receive benefits under the program has sharply increased: In calendar year 2009, there were 145 certifications covering 20,677 workers, compared to an average of 10,705 annually over the previous three years. Ohio tied with Pennsylvania for the second-most certifications in the year ended May 17; only Michigan had more. The higher levels of workers certified has continued in 2010.

While more workplaces were certified, there was also a build-up in the time it took the Department of Labor to process petitions, mirroring such an increase nationally. In Ohio, processing time increased from 39.9 days in 2008 to 96.6 days in 2009 to 169.3 days for the first four and a half months of 2010.

Workplaces in 58 of Ohio's 88 counties were certified during the first year of the "new TAA." Among those certified in the past year was a parade of many of Ohio's leading employers – General Electric, General Motors, Wal-Mart, Owens-Illinois, Ford, Goodyear, Eaton, Convergys, Berry Co. and, more recently, Nationwide Mutual Insurance Co.



While occasionally not every job certified is permanently lost – at GM’s Lordstown complex, where 1,423 jobs were certified last fall, laid-off workers who had not taken buyouts or retirements have been able to go back to work as GM gears up for the Chevrolet Cruze – TAA certifications generally reflect job losses. Thus, the numbers indicate a major increase in job losses due to trade.

Nearly half of the Ohio certifications in the past year involved production shifts, most often manufacturing operations going to Mexico. However, companies also have been moving production to China, and service work, especially, to India.

Under the new provisions of TAA, workers in service industries are now covered. So far, only a small number of Ohio service-industry workers have been certified for TAA. The report calls for an aggressive public education campaign to make businesses and workers aware of the TAA program, especially in the service sector. It also recommends the extension of the new TAA provisions beyond the end of 2010, when they will expire, and an increase in the speed with which DOL processes petitions.

Trade Adjustment Assistance is an important program for workers who have lost their jobs because of trade, and can be even more valuable if current provisions are extended and more workers and companies become aware of the program.

Policy Matters Ohio is a nonprofit, nonpartisan research institute with offices in Cleveland and Columbus.

