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Expand Trade Adjustment Assistance to help displaced Ohio workers

Between 2001 and 2015, 124,000 Ohio workers received federal assistance after losing their job due to trade agreements with other nations. During that time, the Economic Policy Institute estimates that Ohio lost nearly as many — 121,500 — jobs to the trade deficit with China alone.

[In a new report](#), Policy Matters Ohio examines the role of Trade Adjustment Assistance (TAA) in helping workers displaced because of free-trade pacts like the North American Free Trade Agreement (NAFTA). Petitions for TAA assistance are often filed by unions or the relocating or closing companies themselves. Eligible workers receive a cash allowance if they enroll in a full-time training course. TAA also helps workers cover some of the costs of job searching or relocation. Workers 50 or over who take a new job that pays less than \$50,000 may receive a wage supplement of no more than \$10,000. TAA also helps trade-affected workers with a tax credit of up to 72.5 percent of health insurance premium costs.

In response to the Great Recession, President Obama expanded TAA to cover more workers under the federal Stimulus Package. In 2009, the annual number of Ohio's TAA-certified workers peaked at 22,214. Last year, 3,790 Ohio workers received TAA certification. As of November 2017, 3,615 Ohioans have been covered.

"TAA only covers a fraction of Ohio workers harmed by trade policy," said Policy Matters Researcher Hannah Halbert. "The 2009 jump in certified workers proves the expanded program was needed and well-used in Ohio, which still hasn't fully recovered from the recession." Last year, TAA certifications clustered in counties with more blue-collar jobs. Six petitions in Cuyahoga County covered more than 500 jobs, as did seven in southwest Ohio. Two in Knox and Coshocton counties covered more than 700 jobs.

Meanwhile, workers in other countries have also suffered from bad trade agreements. In 2014, Mexico's poverty rate was higher than when NAFTA began. During NAFTA renegotiations, Canada declared the labor laws in both Mexico and the U.S. to be so poor that they provide an unfair and unjust competitive advantage. Specifically, Canada called for an end to so-called right to work laws that chip away at collective bargaining power for workers.

"It's clear that NAFTA-style free trade agreements have hurt workers while benefitting multinational corporations," Halbert said. "One thing we can do to tip the scales back in the right direction is to expand TAA. The program must be more robust to really help Ohio's displaced workers."

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

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