

Executive Summary

Job losses in the manufacturing sector are the major cause of decline in the total number of jobs in Ohio. The sudden and dramatic decline in manufacturing has devastated laid-off workers, their families, and communities around the state. This report updates a Policy Matters Ohio study entitled *International Trade and Job Loss in Ohio* that was released in February 2004. That report used data from the Trade Adjustment Assistance (TAA) program to calculate a **minimum estimate** of trade-related job losses in the manufacturing sector. The TAA program provides benefits to workers in the manufacturing sector who lose their jobs due to international trade. In response to a petition requesting certification, the U.S. Department of Labor investigates in order to ascertain whether or not the workers were laid off for a trade-related reason. If the petition is certified, workers are eligible to apply for trade adjustment assistance. Administrative program data track the number of workers at each affected workplace.¹

The TAA program certified 52,265 Ohio workers as having lost their jobs for trade-related reasons between January 1995 and July 2004. The majority of these certifications (32,118 or 61.5%) occurred since January 2001.

This update uses TAA program data from November 2003 through July 2004. Other central findings of this update are:

- Trade-related job loss continues to be a significant factor in reducing manufacturing employment in Ohio. From January 1999 to January 2004, TAA certifications accounted for 19% of the net decline in Ohio's manufacturing employment. If this process continues indefinitely, it will exert a significant constraint on the level of total employment in the state.
- During the period covered by the update, the TAA program certified 63 petitions covering an estimated 6,531 Ohio workers. Relocation of production facilities to other countries accounted for 2,082 (31.8%) of these job losses.
- During the period covered by the update, an additional 1,645 Ohio workers were TAA-certified because their companies shifted production to Canada or Mexico since October 2003. The vast majority of these job losses (1,326) were due to production shifts to Mexico. Since 1995, 16,298 workers (31.2% of total certifications) received TAA certifications for NAFTA-related reasons. Nearly two-thirds of these job losses were due to production shifts to Mexico.
- From November 2003 to July 2004, TAA certifications occurred in 35 Ohio counties. Cuyahoga County had 690 workers certified. Two counties, Hamilton and Montgomery, each had 500 or more workers certified. Two others, Hocking and Lake, each had 400 or more.

Trade has been responsible for a large number of lost jobs in Ohio. Public policy must do more to acknowledge how trade can cause job loss, to prevent job losses due to international trade, and to help those whose jobs have been lost because of trade.