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“Gold Standard” retraining program faces cutbacks Despite great results, trade assistance program will exclude more workers

Since 2005, more than 76,500 Ohio workers have been certified to receive assistance through the Trade Adjustment Assistance program, according to a report released today by Policy Matters Ohio. Certifications in 2012 topped 2011 numbers, even as the overall number of petitions filed and certifications granted dropped.

“The Trade Adjustment Assistance program, the gold standard in services for dislocated workers, continues to help Ohio communities,” said Hannah Halbert, report author and workforce researcher with Policy Matters.

The report found reasons to be concerned about changes to TAA, however. Starting in January, the program will cover only manufacturing firms, and workers losing their jobs to outsourcing will be covered only if their job was moved to a nation that has signed a free trade agreement with the U.S. or benefited from one of three trade acts.

In 2012, 21 of Ohio’s 54 TAA certifications covered service-sector work. Much of that service work was lost due to direct outsourcing, but similar job losses won’t be covered under the pending rule changes.

“Reducing coverage takes us in the wrong direction,” said Halbert. “Whether the lost job produced door seals or provided customer service, the impact on the community and the family is the same. There are fewer jobs, fewer workers, and a greater need for retraining in growing industries.”

More than 70 percent of American workers who went through TAA in 2012 found jobs, and more than 90 percent of job-finders stayed in their positions for at least nine months. Nationally, TAA certified more than 81,500 workers in fiscal year 2012.

The report finds that TAA could play a larger role in strengthening Ohio’s workforce. Consistent guidelines would allow the state workforce development system to build capacity around TAA, rather than juggling frequent changes in eligibility.

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*Policy Matters Ohio is a non-partisan, non-profit policy research institute,
on the web at www.policymattersohio.org.*

Key findings and recommendations

- Nationally, TAA certified more than 81,500 workers in FY2012. More than 70 percent of exiters found jobs and more than 90 percent of those stayed employed for at least nine months.
- In Ohio, the estimated number of certified workers increased slightly in 2012, while the number of petitions filed and certified fell slightly.
- Congressional action is needed to maintain TAA eligibility for service sector workers and workers losing jobs to nations without a free trade agreement or not covered in one of three trade acts.
- TAA needs rational, consistent rules to support Ohio workers and communities.