Overview of Trade Adjustment Assistance (TAA) Program

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What is TAA?

• Trade Adjustment Assistance helps individuals who have become unemployed as a result of competition from foreign trade

• Program Goals
  – Rapid reemployment of TAA-eligible individuals
  – Provide training and income support where necessary for a worker to achieve reemployment
  – Assist individuals to obtain reemployment in fields where they are likely to remain employed and earn wages comparable to their prior jobs
How does the TAA process work?

• Layoff occurs
• Petition is filed on behalf of the workers
• DOL investigates and issues a certification or denial for the worker group
• Average petition processing time is 29 days
• Workers individually report to One-Stop Career Centers to apply for benefits and services
Who may be certified?

- Workers who have lost their jobs or suffered a reduction of hours and wages as a result of increased imports or shifts in production outside the United States
- Workers whose firm is a supplier or downstream producer to a firm whose workers are TAA-certified
What are the benefits/services available to certified workers?

- Benefits Provided Under Trade Act
  - Reemployment Services
  - Training
  - Trade Readjustment Allowances
  - Relocation Allowances
  - Job Search Allowances
  - Health Coverage Tax Credit
  - ATAA Wage Subsidies
What are TAA funding levels in 2005?

- TAA training – capped at $220 million
- TAA training administration – $33 million
- TRA – $750 million
- ATAA wage subsidies – $48 million
- Job search and relocation allowances – $6.2 million
- Total TAA related funds – $1.1 billion
What was the activity level in 2004?

- Received approximately 3,000 petitions
- Roughly 2/3 were certified
- 50,000 new participants entered training
- 80,000 began receiving TRA
- Average training duration was 50 weeks
Who is the typical TAA participant?

- Unemployed
- White
- Female
- 30-45 years of age
- High school diploma
- Nine years with employer at time of layoff
What states had the most TAA certifications in FY 2004?

North Carolina 12%
Pennsylvania 7%
California 5%
Ohio 5%
New York 5%
Michigan 4%
Wisconsin 4%
Texas 4%
Illinois 4%
South Carolina 4%

*Data Source: Division of Trade Adjustment Assistance Management Information System (DTAA MIS)*
What industries had the highest level of TAA activity in FY 2004?

- Textile Mill Products 12%
- Apparel 12%
- Electronics and Components 11%
- Industrial/Commercial Machinery and Computer Equipment 8%
- Fabricated Metal Products 7%
- Primary Metal Industries 5%
- Transportation Equipment 5%
- Lumber/Wood Products (Except Furniture) 5%
- Rubber and Misc. Plastic Products 5%
- Measuring, Analyzing, and Controlling Instruments 4%

*Data Source: Division of Trade Adjustment Assistance Management Information System (DTAA MIS)*