

NEW ROLES FOR GOVERNMENT

Why We Should Expand Trade Adjustment Assistance

Greg Mastel

Few deny that the United States loses jobs in many industries because of free trade. Should its workers bear the burden of a free trade policy? The author argues that expanding the current Trade Adjustment Assistance program could adequately protect workers, but that the current program is not good enough.

THE VIRTUES OF FREE TRADE AND OPEN MARKETS are widely lauded in economics textbooks and by economic professionals. Certainly the consensus in support appears much broader than on almost any other economic topic. But as the recent debate on the Central American Free Trade Agreement (CAFTA) underlined yet again, this consensus is not widely shared by policymakers and the general public. Even a cursory examination of public discourse would suggest that free trade agreements like CAFTA and NAFTA (North American

GREG MASTEL is chief international trade policy adviser at Miller & Chevalier, a leading Washington international trade firm. From 2000 to 2003, he was the chief Democratic staffer on international trade matters and oversaw work on the 2002 Trade Act, which included a major revision of the Trade Adjustment Assistance Act. The author gratefully acknowledges the assistance of Howard Rosen, the executive director of the Trade Adjustment Assistance coalition, a nonprofit group that advocates on behalf of workers, farmers, and firms adversely affected by changes in trade and investment, and Zachary Paulsen of Miller & Chevalier in researching and preparing this article.

Free Trade Agreement) before it—recall H. Ross Perot’s “giant sucking sound”—are at least as likely to be portrayed as a threat to American workers as they are a boon to growth.

Certainly the causes and motivations for many in this political debate are complex. They include legitimate economic concerns, but also, unfortunately, fear-mongering and perhaps even racist sentiments. The consistency and longevity of concern over free trade would suggest, however, that the causes go beyond baseless fears.

One theme consistently emphasized by free trade critics, which seems to strike a sympathetic chord in the public, is that more open trade and competition will lead to job losses in particular industries. On this point, there can be little doubt. Free trade has contributed to job losses in some industries, notably autos, apparel, and steel. Other factors have certainly contributed to those job losses, and imports have benefited the U.S. economy overall. Still, the possibility that dismantling trade barriers could create some job losses—whatever the offsetting benefits—seems to lead many to oppose trade liberalization.

The most logical response to those concerns, however, is not to maintain trade barriers, which have many negative effects. The more sensible approach is to develop strong programs to address the needs of those displaced workers while liberalizing trade. The United States, as well as most developed countries, has recognized this reality and maintains programs to address the needs of displaced workers. The lingering skepticism on free trade, however, suggests that public confidence in those programs is low. And though the public wisdom on free trade is questionable, the conviction that worker adjustment programs are not working well is strongly based in fact.

Political changes are always difficult to predict precisely, but it is reasonable to expect that a more robust worker adjustment program would increase public confidence in policies supporting freer trade. Funds invested in such an initiative could thus benefit not only displaced workers but also the entire economy by increasing the ability of the United States—and other democratic governments—to adopt trade liberalization. Worker adjustment programs could thus be a perfect—even necessary—complement to free trade policy. Unfortu-

nately, current U.S. policy to date has proven to be inadequate and has failed to win public confidence, but there are concrete policy options available to address the performance and, it is hoped, the confidence deficit.

Public Attitudes on Trade and Worker Adjustment

As is the case with many policy topics, public attitudes on trade are complex, and the context in which a question is raised can greatly affect response. There is wide agreement among pollsters, however, that the public harbors lingering doubts on the wisdom of free trade. The recent debate on CAFTA offered the opportunity for public sentiments on this topic to be reexamined.

A survey conducted by the Program on International Policy Attitudes–Knowledge Networks Poll found that 63 percent of respondents were generally negative or ambivalent about expanded international trade—only 35 percent characterized it as a positive development. Overall, respondents were skeptical of the benefits of expanding trade—slightly more negative than similar polls conducted in 2004 and 1999.¹ Though results vary from slightly negative to slightly positive, depending upon the timing of the survey and the precise questions, this general result is consistent with most past polling on the topic. For example, polls conducted by the *Los Angeles Times* for several decades and polling by CNN/*Time*² have consistently found considerable public support—approaching two-thirds of the public—for restricting imports to protect U.S. jobs.

Still, further probing suggests that Americans are not confirmed protectionists. Several polls have indicated sensitivity to the costs of trade barriers,³ interest in related issues such as labor and environmental standards,⁴ and support for gradual movement toward free trade.⁵

Interestingly, there has been strong support for worker adjustment programs in conjunction with new trade agreements and trade liberalization. For example, in the survey on CAFTA cited above, 56 percent of respondents supported worker retraining and rejected the notion that such programs were just another big government spend-

ing program. This result was consistent with polling in 1999 and 2004. Most interestingly, 40 percent of those respondents who said they opposed CAFTA would support the agreement if a substantial worker adjustment program accompanied it.⁶ These results were very consistent with the results of other surveys, including one conducted by PIPA research in 2000, which suggested that an effective worker adjustment program moved 67 percent of Americans to support free trade in general.⁷

History of U.S. Adjustment Policy

Most U.S. unemployment policies, notably unemployment insurance, have their roots in the New Deal era after the Great Depression. Certainly, these programs, which provide relief regardless of the cause of unemployment, are closely related to trade adjustment assistance policies and provide a measure of help to those who lose their jobs due to international competition.

The core U.S. program aimed at providing relief to workers who lose their jobs as a result of trade is the Trade Adjustment Assistance (TAA) program. TAA was created in 1962 and was tied to approval of a major agreement under the auspices of the General Agreement on Tariffs and Trade—the global trade regime of the time—to lower U.S. tariffs on imports. Likely as a result of much the same public sentiment as discussed in the previous section, President John F. Kennedy argued for TAA:

I am also recommending as an essential part of the new trade program that companies, farmers and workers who suffer damage from increased foreign import competition be assisted in their efforts to adjust to that competition. When considerations of national policy make it desirable to avoid higher tariffs, those injured by that competition should not be required to bear the full brunt of the impact. Rather, the burden of economic adjustment should be borne in part by the Federal Government. . . . Just as the Federal Government has assisted in personal readjustments made necessary by military service, just as the Federal Government met its obligation to assist industry in adjusting to war production and again to return to peacetime production, so there is

an obligation to render assistance to those who suffer as a result of national trade policy.⁸

The program put forward by President Kennedy included the same basic elements of today's TAA—training programs to promote reemployment, along with income support during the period that training is taking place. The periods of assistance have been expanded from the original Kennedy package, and new training options have been added, but the basic program is much the same.⁹

Congress has revisited TAA a few times in the intervening years, usually in connection with a trade agreement or legislation to otherwise liberalize imports.¹⁰ In order to win support for NAFTA, the Clinton administration created a special TAA program for workers impacted by imports from NAFTA countries that offered broader eligibility than had previously been the case by expanding coverage to “secondary workers” (workers who do not directly compete with imports, but are adversely affected by imports of other products for which they produce component parts). The same changes expanded eligibility to include workers who lose their jobs due to production shifts—facilities moving to other NAFTA countries.

In 2002, Congress and President George W. Bush agreed on legislation that expanded TAA to all secondary workers and farmers, expanded coverage of shifts in production, and created new benefits and training options for displaced workers. The same legislation allowed the Bush administration to negotiate new trade agreements.

Worker Adjustment Programs

TAA is not the only program available for displaced workers. Most notably, individuals who are involuntarily unemployed for any cause can generally receive income benefits under Unemployment Insurance (UI). Under UI, the unemployed are generally entitled to at least twenty-six weeks of income support equal to about \$250 a week on average. Unemployment insurance is administered at the state level but funded through a payroll tax administered by the federal govern-

ment, which puts the collected funds into a trust fund, from which they are disbursed to the states. In 2004, payments from the trust fund totaled approximately \$32.3 billion.

Displaced workers in most cases are also eligible for retraining assistance under the Workforce Investment Act (WIA). Federal spending on WIA since 2001 has ranged between approximately \$2.5 billion and \$3.5 billion. Over this period the program annually covered between 800,000 and 1.3 million recipients. WIA expenditures are only for training costs; there is no additional income support, health care assistance, or other benefits.

TAA is sometimes referred to as a “Cadillac” of worker adjustment programs because it generally provides considerably more assistance for a longer period of time. As of the 2002 amendments, TAA became available to most qualifying workers for up to 104 weeks (130 weeks for those receiving remedial education)—four times longer than regular UI benefits. TAA recipients are also eligible for a tax credit to maintain health insurance and, in some cases, have the option of new programs, such as wage insurance for older workers. Wage insurance—also known as Alternative TAA—provides older displaced workers the option of returning to work at a lower-paying job, with the federal government making up a portion of the lost wages for two years.

To obtain TAA benefits, workers—who initially apply as a group to be designated eligible for benefits—must demonstrate that their unemployment is related directly to international trade. Unemployment resulting from other factors, such as technological change, is generally not covered by the TAA. Distinguishing between cases that are trade-related and layoffs and closings for other reasons is a conceptually difficult task, as often many factors contribute to these corporate decisions.

Federal funds appropriated for TAA totaled \$1.3 billion in 2004. The total number of workers designated by the Department of Labor (DOL) as eligible for TAA peaked in 2002 at 235,000. In 2004 (the latest year for which statistics are available), coverage was down to approximately 148,000—the variation in the number of workers covered is affected by a number of factors, including the business cycle. Of

those potentially eligible, only about 60,000 workers actually received assistance in 2004, up from an average of 30,000 per year during the previous decade.

In recent years, many petitions for TAA assistance have been denied by the Department of Labor. Overall in 2004, 2,918 petitions for TAA benefits were filed by groups of displaced workers. Of those, 1,734 were granted and 954 were denied (some were still pending when the statistics were generated). As discussed in the next section, many observers, including the Court of International Trade (which has jurisdiction over TAA eligibility appeals), have been harshly critical of what they characterize as arbitrary decision-making by the DOL, which has kept the denial rate high (around one-third of all applications) despite a number of revisions to the law in 2002 aimed at making TAA more broadly available.

Several criticisms are also leveled against TAA. For example, DOL often cites data that workers enrolled in WIA are more likely to get back to work faster than workers enrolled in TAA. Based on these statistics, TAA is rated as "ineffective" by the administration in documents accompanying the federal budget.¹¹ This criticism, however, has a number of apparent explanations. First, TAA is a program that has tended to draw in mid- to late-career individuals from higher-wage manufacturing sectors, who have more difficulty finding employment at comparable wages than do the average job seeker.

Second and more fundamentally, the relatively short period of time that individuals spend in WIA most likely reflects no more than the reality that workers participating in WIA have little real alternative. WIA provides no health insurance and no income support beyond UI benefits, so when those run out, participants often have little choice but to take whatever work they can find regardless of the wage rate. To put this situation in perspective, if the United States offered no training and no income support, this "nonprogram" would likely be more "cost-effective" and have a shorter route to employment than either WIA or TAA, as the government would be spending nothing, and individuals faced with no real alternative would likely take whatever employment they could find. Most people would likely not characterize such a program as a success.

Since President Kennedy unveiled it, TAA has been justified as a unique benefit to a group of displaced workers that the country owes them, because a specific national policy—liberal trade policy—caused them to become unemployed. The notion—implicit in the criticisms leveled in the federal budget—of forcing these workers into generic programs with lesser benefits and shorter time frames simply abandons the entire concept that this group of workers is owed special consideration by the country as a whole. Equities aside, such an approach would likely result in increased resistance to free trade.

Before leaving this discussion, it is worthwhile to note that other developed countries—notably Japan and European countries—maintain their own worker adjustment programs. It is difficult to make a reliable apples-to-apples comparison between TAA and other countries' programs, however, because other countries structure their programs differently and often do not choose to address workers displaced by trade differently than they do other displaced workers. Perhaps more important, the general social safety net in some of these countries—including nationalized health care and unemployment insurance—is higher than in the United States. With all those caveats in mind, however, the Organization for Economic Cooperation and Development (OECD) suggested in 2003 that U.S. spending on labor adjustment programs lagged substantially behind the levels in other developed countries (see Table 1).

Shortcomings of Trade Adjustment Assistance

The central purpose of TAA is to reassure displaced workers and the public at large that those who lose their jobs due to national trade policy will be entitled to special benefits to assist them in rebuilding their lives. The polling noted at the outset suggests that the current program is not perceived as filling this need. There are some sound reasons for this public perception.

Access

As currently structured, TAA primarily covers job losses as a result of imported goods. Job losses resulting from imported services are not

Table I

Spending on Active Labor-Market Adjustment Programs

Country	As % of GDP	Ratio of spending as % of GDP to the unemployment rate	As % of total spending on labor-market programs
Canada	0.41	0.06	36.4
France	1.32	0.14	44.4
Germany	1.21	0.16	38.6
Japan	0.28	0.06	34.2
United Kingdom	0.37	0.07	40.0
United States	0.15	0.03	32.9

Source: OECD, *Employment Outlook 2003* (Paris: OECD, 2003).

covered, and, in some cases, production shifts are also not covered. Production shifts are automatically covered if the plant moves to an FTA country or to a country receiving trade benefits, but—under current Department of Labor practice—not necessarily if it moves to another country, for example, China or India.

These oversights in TAA coverage are understandable when one considers that TAA was created in the 1960s, when the international trade debate was mainly about imports of goods, and factory moves overseas were unlikely because of a variety of practical constraints. In the present, however, services constitute the vast majority of the U.S. economy, and many services, such as information technology, insurance, banking, and legal services, are an important part of international trade negotiations. The recent debate over “offshoring” (moving U.S.-based facilities, including such things as computer programming and call centers, overseas) has partly replaced increasing imports as the focus of popular concern over globalization.

Economic reality and popular concern have clearly expanded far beyond trade in goods, yet TAA is still largely built to address the international economic problems of the 1960s, not those of 2006. It is difficult for TAA to remain politically relevant and substantively meaningful unless it is updated to address the realities of modern commerce.

Funding

A central premise of TAA is that displaced workers are to be retrained for new employment. The income support under TAA is an entitlement, which means they are guaranteed. The level of funding for training, however, is set through annual appropriations, and the funds distributed to state agencies—which actually administer the program—are subject to the decisions of the DOL. As a result, a number of states have complained that the level of federal training funding is inadequate to meet the needs of TAA recipients in that state.¹²

Without adequate training funds, TAA becomes little more than extended unemployment insurance. From the perspective of recipients, this is certainly better than nothing, but it limits the effectiveness of the program in achieving reemployment of recipients.

Implementation

In recent years, numerous complaints have been made about the DOL's implementation of the TAA program. The Court of International Trade, which oversees the program's implementation, has overturned a number of DOL decisions and at times offered scathing criticism of the DOL bureaucracy that implements the program. For example, in a 2003 decision the Court of International Trade held:

In a word, this case stands as a monument to the flaws and dysfunctions in the Labor Department's administration of the nation's laws—for, while it may be an extreme case, it is regrettably not an isolated one. The relatively high number of requests for voluntary remands in trade adjustment assistance cases appealed to this Court speaks volumes about the caliber of the Labor Department's investigations in general, and the Government's ability to defend them . . . similarly telling is the growing line of precedent involving court-ordered certifications of workers, evidencing the bench's mounting frustration with the Labor Department's handling of these cases. Clearly, there is a message here.¹³

The DOL has also been criticized for arbitrarily applying eligibility requirements to deny petitioning groups of workers. For example, when textile plants in the same area of North Carolina applied for Alternative

TAA—commonly referred to as wage insurance—some requests were granted, but others denied because workers at some plants failed to make the correct claim in their initial petition for assistance. Given that most petitioners are not experts on TAA and have limited resources to retain legal advice, this oversight would seem understandable. Yet for workers at these plants, DOL's rigorous application of the letter of the law denied benefits to which they would otherwise have been entitled.¹⁴

These implementation problems are particularly painful for potential TAA recipients because the time limits on TAA benefits begin to run from the date of separation from previous employment. Litigation on the DOL decisions can drag on for years. Thus, even if the petitioners succeed in overturning a DOL decision in court, they sometimes find that most of their benefits have run out.¹⁵ This outcome causes great and understandable frustration on the part those seeking TAA benefits. Thus, as a practical matter, TAA recipients are not able to meaningfully appeal DOL decisions in many cases.

Any program that makes numerous implementation decisions will make some mistakes, and a certain number of errors are to be expected in implementing any new or greatly changed program. Implementation problems like this, however, undermine the effectiveness of TAA in achieving its objectives and doubtless undermine public confidence in the program. Without doubt, many displaced workers have benefited through TAA, and the program has improved in recent years. Still, given the scope of the problems, the current TAA program is little more than a shadow of what it would need be to inspire widespread confidence in the U.S. worker adjustment program. Those implementing the program seem to have little awareness or perhaps concern that they play an integral role in building the political base necessary to support a liberal U.S. trade policy.

Program Improvements

As this discussion makes plain, certain possible improvements in the TAA program to address problems (and hopefully increase political confidence) are obvious.

It is worth noting at this point, however, that some observers have suggested that it may be more equitable to examine programs for displaced workers generically rather than focusing only on trade. Certainly this perspective has much to commend it. It is difficult, for example, even in theory to define exactly why groups of workers have lost their jobs—whether from plant closings, layoffs, etc. In fact, surveys conducted by the Bureau of Labor Statistics suggest that imports and offshoring are relatively minor causes of layoffs. In the first three quarters of 2004, import competition was cited as the cause of only 38 of 3,476 mass layoffs.¹⁶ These results can be questioned given that many of the other categories of response are so ambiguous—such as financial difficulties and internal restructuring—that international competition may play a role. At the very least, however, it is fair to say that many factors not related to international trade contribute to plant closings.

Many would suggest that workers who lose their jobs because of technological change or other changes in the economy also deserve assistance in finding new careers or employment. There is certainly merit to that argument; however, it is worth noting again—as President Kennedy did in 1962—that TAA recipients lose their jobs because of a national policy decision to open the U.S. marketplace to the benefit to the country as a whole. Like workers who lost their jobs because of a government decision to close military bases, workers who lose their jobs due to trade or international competition have a unique equity claim to benefits to assist in their adjustment.

TAA can also be seen as a laboratory in which to test new approaches and programs for worker adjustment. For example, the 2002 revisions of TAA incorporated health insurance assistance through both a special tax credit and wage insurance. These innovations both have considerable promise but would have cost billions of dollars more to implement for all displaced workers. The funds required for a universally available program would certainly have led to political opposition, particularly without any empirical evidence that the innovations achieve the desired results. Given the political support for TAA, higher levels of

expenditure are possible. Further, if a successful record is established for these programs as part of TAA, that success can be used to seek program expansions to other displaced workers in the future.

There have been significant efforts in Congress to address expanding TAA to services and offshoring. Several pieces of legislation have been put forward, and the Senate Finance Committee has actually approved one such proposal in connection with CAFTA-implementing legislation, but House of Representatives and administration resistance in the conference on the measure caused it to be dropped.

The Congressional Budget Office (CBO) did provide a budget score on a similar expansion as entailed in S. 1309 in the 109th Congress. The CBO estimated that this legislation would lead to new expenditures of \$1.4 billion in 2006–10 and \$3.8 billion from 2006 to 2025. In addition, the CBO analysis suggested that training program costs would need to be increased \$60 million over the ten-year period of the program.¹⁷

In isolation, these numbers sound rather large. But one must keep in mind that the United States imported nearly \$1.5 trillion worth of goods in 2004 and collected approximately \$23.6 billion (including user fees) in tariffs from those imports in 2004. Some economists put the total benefit of liberal trade policy to the United States as high as \$1 trillion annually with the potential for an additional \$500 billion in gains if remaining barriers are eliminated. As a percentage of these numbers, the entire cost of TAA including the expansion would annually be about 0.2 percent of the total value of estimated trade benefits, or 12.5 percent of current annual tariff collections. If these programs succeed in easing the political course for future trade liberalization, the dollars invested by expanding TAA to the new areas—which equity and logic indicate should be included—would be a tremendously productive investment for the U.S. economy. In fact, it would seem an investment that would be foolish to overlook, given the possible benefits.

The case for expanding some of the new dislocated worker programs is already strong. For example, alternative TAA/wage insurance could easily be expanded to all displaced worker or at least all TAA recipients. Economists have estimated that a wage insurance program covering

workers displaced for any reason would cost \$4 billion annually.¹⁸ This figure is considerable but could provide a real step forward for adopting a workable, practical approach to putting displaced workers back in the workforce. Wage insurance is a form of on-the-job training, which has demonstrated significant potential for reemploying displaced workers. Thus, there would likely be direct economic benefits—in terms of UI savings and new taxes paid—and a reduction in the social consequences of unemployment (crime, domestic violence).

As a first step, all TAA recipients, regardless of their age, should simply be allowed to choose wage insurance. Although it is one of the few innovative ideas that have been put forward on worker adjustment, it is difficult to predict how many workers might choose wage insurance instead of traditional retraining. It is true, however, that if a worker stayed in alternative TAA for the full two years available, it would actually cost the federal government less than if he stayed in traditional TAA collecting full benefits for the same period. This relative thriftiness would seem to make a compelling case for at least allowing all TAA recipients the choice.

Finally, the cost of some politically important changes—such as addressing the travesty of TAA recipients' exhausting their benefits by allowing them to suspend the time limits on receiving them until litigation is completed—would likely be low, given that the changes involve relatively small groups of workers. Since the court rulings would vindicate the claim that these are the benefits actually due under federal law, it is also a cost savings gained by what amounts to an unjust loophole. The reputation of both DOL and TAA would be greatly improved by simply reversing this oversight through judicial, legislative, or administrative action.

Conclusion

Throughout its history, TAA has strived to achieve two major goals: (1) reintegrating workers who have lost their jobs due to trade and global commerce (what is sometimes referred to as globalization) into the workforce, and (2) creating political support for trade liberalization.

Currently, TAA provides a more significant package of benefits than any other currently available worker adjustment program. TAA recipients are eligible for two years of income assistance, training and relocation benefits, a tax credit to help purchase health insurance, and, for older workers, potentially the option of wage insurance. These elements are impressive—especially when compared to WIA, the major alternative program.

That said, the limitations of the current program, such as not covering services or plant movements overseas, inadequate funding for training, and poor implementation of the program by DOL bureaucrats, limit the program to a small portion of the displaced workers that are its logical target. Remedying these shortcomings is conceptually simple and would doubtlessly enhance the effectiveness of the program.

It is doubtful that most of the public or perhaps even many members of Congress are able to discuss the shortcomings of TAA in detail. Yet, they are likely aware of the shortcomings in general terms. It is hard to be precise in gauging public perception, but correcting the obvious deficiencies would likely improve the reputation of the TAA program. It is doubtful the program will be seen as a panacea, but it would likely be far more credible. And, as previously noted, polling suggested that fear of inadequate worker adjustment accounted for nearly half the opposition to CAFTA and that a worker adjustment program that is seen as effective could convince a solid majority of Americans to embrace freer trade.

Expanding and perfecting TAA would make it politically easier to liberalize trade in areas where the economy is currently protected and embrace trade liberalization through trade agreements. There can be little doubt that the massive economic gains generated by these policy changes would make additional spending on worker adjustment one of the most profitable investments in the U.S. economy that the federal government could possibly make. At present, however, TAA is simply not up to this task. The lack of an effective worker adjustment program remains the greatest and most troubling gap in American trade policy.

Notes

1. Program on International Policy Attitudes (PIPA), "Public Opinion on International Affairs: International Trade," available at www.americans-world.org/digest/global_issues/intertrade/summary.cfm.
2. CNN/*Time* Polling by Yankelovich Partners, February 22, 1996.
3. PIPA.
4. Ibid.
5. Ibid.
6. The PIPA/Knowledge Networks Poll, conducted June 22–26, 2005 (available at www.americans-world.org).
7. PIPA, "Americans on Globalization: A Study of US Public Attitudes," question Q62, March 28, 2000. See also, for example, Pew Research Center for People and the Press, 2000.
8. From a special message to Congress on Foreign Trade Policy, January 25, 1962.
9. Also, as suggested by President Kennedy, TAA continues to provide specific assistance for firms and farmers harmed by imports, though these programs are a small fraction of aid to displaced workers.
10. There have been a few examples of TAA amendments not linked to trade agreements. For example, during the Reagan administration the level of assistance was trimmed from a portion of the "prevailing wage" back to standard unemployment insurance levels.
11. Office of Management and Budget, Executive Office of the President, *Budget of the United States Government, Fiscal Year 2005* (2004); also noted in *Budget of the United States Government, Fiscal Year 2004* (2003).
12. Harold Brubaker, "Job-Training Program on Hold; Funds Lacking," *Philadelphia Inquirer*, April 23, 2003, C1; also noted in Office of the Inspector General, U.S. Department of Labor, *Annual Performance Report Fiscal Year 2003* (www.oig.dol.gov/public/reports/2003annualreport.doc).
13. *Former Employees of Chevron Prods. Co. v. U.S. Secretary of Labor*, 298 F. Supp. 2d1338, 1350 (Ct. Int'l Trade 2003).
14. Charlotte Chamber of Commerce, North Carolina NAFTA/TAA Decisions; Charlotte Metro Labor Draw Area (www.charlottechamber.com).
15. The final twenty-six-week extension is generally still available to recipients even if the litigation has taken longer than 104 weeks.
16. This data is taken from the *Mass Layoff Survey* conducted quarterly by the Bureau of Labor Statistics, available at www.bls.gov/mls/.
17. Congressional Budget Office Cost Estimate, *S. 1309: Trade Adjustment Assistance Equity for Service Workers Act of 2005*, September 19, 2005, p. 1.
18. This estimate was produced by Lori Kletzer and Howard Rosen in a paper published with the Institute for International Economics in Washington, DC. They also put the cost of extending all TAA benefits to all displaced workers at \$12 billion annually.

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