

## **Putting Trade Adjustment Assistance Ahead of Free Trade Agreements Is Right Thing for America's Workers**

*Statement of Christine Owens, Executive Director, National Employment Law Project*

Washington, DC – President Obama acted prudently in postponing action on pending free trade agreements with South Korea, Colombia, and Panama until Congress agrees to reauthorize key improvements to the Trade Adjustment Assistance (TAA) program, which expired back in February.

Free trade agreements do not come without costs. Over the past decade, they have caused millions of U.S. workers to lose their jobs, often without opening doors to new opportunities. The TAA program equips these displaced workers with skills retraining and reemployment services to help them restart their careers and find good-paying jobs.

At a time when unemployment remains high, particularly in areas of the country heavily impacted by trade, and the suffering of America's workers is so deep, it would be unconscionable for Congress to turn its back once again on workers who've lost their livelihoods to trade and move forward to ratify three new agreements without first reauthorizing the TAA program. Frankly, renewing the TAA program is the least Congress can do to help these displaced workers.

Congress has passed more than a dozen free trade agreements over the past decade, but has been far less ambitious in supporting workers who lost their jobs as a result of trade. In 2009, Congress enacted a long-overdue update of TAA to keep pace with the changing U.S. economy, expanding the program to cover public- and service-sector employees as well as shifts in production to non-Free Trade Agreement countries such as China and India.

For decades, workers in manufacturing were the main victims of imbalanced federal policies that rewarded companies for shipping American jobs abroad. Today, service workers in once-secure fields such as accounting, computer programming, and health care are as vulnerable to trade as their manufacturing counterparts were a generation ago.

More than one-third of TAA layoffs were service-related in 2010, and because of the updates to TAA that Congress adopted in 2009, many were eligible to participate in the program. Since February, however, these workers are no longer covered under TAA.

President Obama has put the interest of America's workers first in demanding reauthorization of TAA before consideration of new trade agreements. This is a no-brainer: Regardless of the merits of these three agreements, none should be considered or ratified until solid programs are restored to help workers already displaced by trade and those who face job loss tomorrow. A robust and modern TAA program should be the cornerstone of our trade policy. Without it, "free" trade will continue to do more harm than good, leaving

more and more workers behind. President Obama has rightly moved new trade agreements off the table until the TAA program is reauthorized—and that's where they must stay until Congress acts on TAA.

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