

**Trade Adjustment Assistance Program
2006-2007 Exit Cohort**

The federally funded Trade Adjustment Assistance (TAA) program provides reemployment services to individuals who lose their manufacturing jobs because of foreign imports or shifts in production to foreign countries with which the United States has a free trade agreement. The Texas Workforce Commission (TWC) administers a program of services for Trade-certified individuals that is fully integrated with the Texas workforce system.

TWC keeps a consistent focus on early intervention by integrating the TAA program with WIA dislocated worker services in order to achieve the following outcomes for Texans:

- Successful reattachment to suitable employment; and
- Training in new skills for high-growth, high-demand occupations when suitable employment is not available.

Trade-certified workers are eligible for core services including job search assistance, skills assessments, and advanced vocational skills training to meet the needs of Texas employers as well as other assistance, such as transportation reimbursements and child care while in training provided through Texas Workforce Centers. A description of Trade services, benefits, and service delivery for Trade-certified workers is provided in the Appendix.

The following is a summary of the outcomes of the services provided to Trade-certified workers who ended participation in the TAA program during State Fiscal Year 2007 (SFY 07).

- 84 percent of the individuals who ended participation in the TAA program found employment by the end of the quarter following participation;
- 92 percent of individuals who entered employment by the end of the first quarter after ending participation in the TAA program retained that employment for at least six months;
- Individuals who ended participation in the TAA program and entered employment earned average wages of \$14,743, or 88 percent (\$35,707,368 compared to \$40,652,361) of their prior wages;
- Of the 2,367 participants who ended participation in the TAA program and for whom the employing industry after ending participation is known, the top five industries in which individuals obtained jobs are:
 - 34 percent in manufacturing;
 - 14 percent in administrative and support services;
 - 13 percent in retail and wholesale trades;
 - 9 percent in health care and social assistance; and
 - 5 percent in educational services;

- Of the 1,547 individuals who ended participation in the TAA program after being enrolled in TAA-approved training:
 - 91 percent participated in vocational training that also may have included English as a Second Language (ESL) training or other remedial programs (data does not specifically identify remedial training that has been integrated with a vocational program);
 - 26 percent participated in a remedial education program that was delivered separately from vocational training; and
 - 17 percent participated in both vocational training and a separate remedial education program.

Authorization for the TAA program expired October 1, 2007. A reauthorization bill was passed by the U.S. House of Representatives, and a companion bill is pending in the U.S. Senate. Funds were appropriated to continue the program under the existing regulations until reauthorization legislation is passed.

Seed Records

The Labor Market and Career Information (LMCI) division of TWC received 8,959 duplicate seed records for the TAA program from The Workforce Information System of Texas (TWIST). Each seed record represents a unique combination of a client Social Security Number (SSN) and a program service they received. Because many clients received more than one service, the input file included the same SSN multiple times. We grouped the records by SSN and service codes, deleted records with registration and exit dates outside the period studied for this report, and were left with 8,377 usable duplicate seed records.

Many TAA participants receive several services while utilizing the program. We unduplicated the records by SSN to get an accurate count of the individuals served and we were left with 6,827 records. Records with erroneous SSNs were removed, leaving 6,684 usable, unique records for the TAA exit cohort.

The seed records were then linked to the UI Wage Records database for the 4th quarter of 2007 to determine employment and earnings. Earnings were summed across unique SSN and the 4-digit North American Industry Classification System (NAICS) code of the employer that paid the highest wages was retained for analysis. Individuals found earning more than \$25,000 in the snapshot quarter were identified and these records were removed from analysis, based on the likelihood of inaccurate wage record data and to reduce the possibility of inappropriately skewing statistical measures of central tendency.

Supplemental employment linkages were performed with the Federal Employment Data Exchange System (FEDES), which includes the U.S. Department of Defense (DOD), the U.S. Office of Personnel Management (OPM), and the U.S. Postal Service (USPS).

The seed records were also sent to the Texas Higher Education Coordinating Board (THECB) for linkage to the public postsecondary master enrollment records for the fall semester of 2007. This linkage is used to locate any former TAA program participants who are pursuing higher education at a public postsecondary institution in Texas and therefore may not be found working.

Finally, the seed records were linked to the Texas Department of Criminal Justice (TDCJ) and the Texas Bureau of Vital Statistics (TBVS) in order to determine if any former program participants were either incarcerated or deceased, respectively. All records with positive matches to either of these two databases have been excluded from subsequent analysis. There were 6,645 records retained for analysis after all exclusions.

Results

The results for this report have been ranked in descending order *with the cohort total included*. This was done so one can see where labor market outcomes for various participant groups lie in relation to the labor market outcomes for the entire cohort.

Table 1 shows employment for all TAA participants by TAA Group for the 4th quarter of 2007 (4Q2007). Participants in the training group had the highest employment with 72.1 percent employed, while overall employment of the cohort was 64.9 percent. Participants assigned to the Employment Services (ES) group, who are also part of the Employment Services cohort and are included in the analysis of the ES exit cohort, had employment of 62.7 percent.

Table 1. Employment for All TAA Participants by TAA Group

TAA Group	N	N Working	% Working
Training	1,543	1,113	72.1
Total	6,645	4,314	64.9
ES	5,102	3,201	62.7

We see in Table 2, which shows median quarterly earnings for all TAA participants by TAA Group, that participants in the ES category had the highest median quarterly earnings with \$6,640. This is most likely because trade-affected workers who are deemed to possess knowledge, skills, and abilities sufficient for finding suitable replacement employment are assigned to the ES group. Median earnings for the entire TAA cohort were \$6,048 in 4Q2007, while participants in the Training group earned \$4,870.

Table 2. Earnings for All TAA Participants by TAA Group

TAA Group	N	N Working	Median Earnings
ES	5,102	3,201	\$6,640
Total	6,645	4,314	\$6,048
Training	1,543	1,113	\$4,870

Table 3 shows employment for participants in the Training group by various demographic categories. There were slightly more females than males in the training group. Male participants in the training group had employment of 77.6 percent during the 4th quarter of 2007 (4Q2007). There were 67.2 percent of female participants found working during the same period.

When examining the racial sub-groups without regard to ethnicity of Training group participants, Native Americans had the highest employment with 87.5 percent employment in 4Q2007. Blacks had the second-highest employment with 82.4 percent.

Sixty percent of the Training group had at least a high school diploma or the equivalent upon entering the TAA program (Table 3). Individuals entering the program with more than a high school diploma but less than a baccalaureate degree had the highest employment in the snapshot quarter with 77.2 percent working. Participants exiting the program with a baccalaureate degree or the equivalent had the highest employment in 4Q2007 with 75.0 percent employed.

**Table 3. Employment for Training Group
by Demographic Category**

Category	N	N Working	% Working
Gender			
Male	738	573	77.6
Total	1,543	1,113	72.1
Female	801	538	67.2
Unknown	n/a	n/a	50.0
Race			
Native American	8	7	87.5
Black	91	75	82.4
White	601	455	75.7
Total	1,543	1,113	72.1
Asian	147	103	70.1
Other/Unknown	694	472	68.0
Hawaiian Native or Pacific Islander	n/a	n/a	50.0
Education at Entry			
More than HS	193	149	77.2
High School/GED	927	686	74.0
BA and above	44	32	72.7
Total	1,543	1,113	72.1
Elementary/ESL	368	239	65.0
No grade	11	7	63.6
Education at Exit			
BA and above	n/a	n/a	75.0
No grade	698	506	72.5
More than HS	820	592	72.2
Total	1,543	1,113	72.1
High School/GED	12	7	58.3
Elementary/ESL	9	5	55.6
Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.			

Table 4 shows median quarterly earnings for participants in the Training group by various demographic categories. Males had a median quarterly earnings figure of \$5,866. Asians had the highest median wage among racial sub-groups at \$6,097 in 4Q2007. Possessing a BA or above upon program entry seems to be the most important demographic characteristic in terms of income, as those participants had median earnings of \$9,079 in the target quarter. The earnings figures by education at exit are included in this table, although the figures seem incongruous with the remainder of the table. This is most likely due to poor data quality (as evidenced by the overwhelming number of participants in the “Unknown” category) in this record field.

**Table 4. Earnings for Training Group
by Demographic Category**

Category	N	N Working	Median Quarterly Earnings
Gender			
Male	738	573	\$5,866
Unknown	n/a	n/a	\$5,774
Total	1,543	1,113	\$4,870
Female	801	538	\$3,978
Race			
Hawaiian Native or Pacific Islander	n/a	n/a	\$6,466
Asian	147	103	\$6,097
Black	91	75	\$5,856
White	601	455	\$5,205
Total	1,543	1,113	\$4,870
Unknown	694	472	\$4,251
Native American	8	7	\$3,699
Education at Entry			
BA and above	44	32	\$9,079
More than HS	193	149	\$5,686
High School/GED	927	686	\$5,089
Total	1,543	1,113	\$4,870
Elementary/ESL	368	239	\$3,903
No grade	11	7	\$3,403
Education at Exit			
BA and above	n/a	n/a	\$7,918
No grade	698	506	\$5,619
Total	1,543	1,113	\$4,870
More than HS	820	592	\$4,532
High School/GED	12	7	\$4,369
Elementary/ESL	9	5	\$4,005

Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.

TAA participants receiving Occupational/Vocational training had the highest employment among Training Group participants receiving a TAA service in statistically significant numbers, with 72.5 percent employed in 4Q2007 (Table 5). That was the only service group with employment higher than the Training Group total of 72.1 percent employed.

Table 5. Employment for Training Group by TAA Service

TAA Service	N	N Working	% Working
Occupational/Vocational	1,432	1,038	72.5
Total	1,543	1,113	72.1
ESL	79	55	69.6
Basic Education Skill	21	14	66.7
Job Search	10	6	60.0
ES Participants	n/a	n/a	n/a
Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.			

Training Group participants receiving Occupational/Vocational training had median quarterly earnings of \$4,799 in 4Q2007. Participants receiving the Job Search service had the highest median earnings with \$12,614.

Table 6. Earnings for Training Group by TAA Service

TAA Service	N	N Working	Median Earnings
Job Search	10	6	\$12,614
ESL	79	55	\$6,000
Total	1,543	1,113	\$4,870
Occupational/Vocational	1,432	1,038	\$4,799
Basic Education Skill	21	14	\$3,844
ES Participants	n/a	n/a	n/a
Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.			

Table 7 shows employment for Training Group participants by LWDA. None of the eight LWDA's with total employment had enough participants to be able to be displayed. Capital Area LWDA had the second-highest employment for the period with 93.3 percent employed. The largest number of participants came from the Upper Rio Grande LWDA, and they had employment of 69.6 percent, which was below the cohort total of 72.1 percent.

Table 7. Employment for Training Group by LWDA

LWDA	N	N Working	% Working
South Plains	n/a	n/a	100.0
North Texas	n/a	n/a	100.0
Permian Basin	n/a	n/a	100.0
Brazos Valley	n/a	n/a	100.0
Panhandle	n/a	n/a	100.0
Central Texas	n/a	n/a	100.0
North East Texas	n/a	n/a	100.0
Texoma	n/a	n/a	100.0
Capital Area	15	14	93.3
East Texas	18	16	88.9
Rural Capital	26	22	84.6
Gulf Coast	24	20	83.3
Heart of Texas	35	29	82.9
North Central	44	35	79.6
Concho Valley	19	15	79.0
Dallas	46	36	78.3
Tarrant County	194	151	77.8
Total	1,543	1,113	72.1
Lower Rio Grande Valley	21	15	71.4
Upper Rio Grande	1,003	698	69.6
Deep East Texas	16	11	68.8
South East Texas	6	n/a	66.7
Alamo	25	16	64.0
Cameron County	13	8	61.5
West Central	n/a	n/a	50.0
Unknown	21	7	33.3
Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.			

Excluding unknown LWDA and those with too few participants, participants from the Gulf Coast LWDA had the highest median quarterly earnings in 4Q2007 with \$8,903 (Table 8). They were followed by Deep East Texas LWDA with median quarterly earnings of \$7,862. The Upper Rio Grande LWDA had median quarterly earnings of \$4,239.

Table 8. Earnings for Training Group by LWDA

LWDA	N	N Working	Median Earnings
Panhandle	n/a	n/a	\$14,553
Permian Basin	n/a	n/a	\$14,116
Central Texas	n/a	n/a	\$11,885
North Texas	n/a	n/a	\$11,869
Unknown	21	7	\$11,667
South Plains	n/a	n/a	\$11,338
Gulf Coast	24	20	\$8,903
South East Texas	6	n/a	\$8,625
Deep East Texas	16	11	\$7,862
Texoma	n/a	n/a	\$7,766
North East Texas	n/a	n/a	\$7,369
North Central	44	35	\$7,221
Heart of Texas	35	29	\$6,918
Rural Capital	26	22	\$6,451
Capital Area	15	14	\$6,323
East Texas	18	16	\$6,322
Dallas	46	36	\$6,302
Brazos Valley	n/a	n/a	\$6,137
Tarrant County	194	151	\$6,050
Alamo	25	16	\$5,969
Lower Rio Grande Valley	21	15	\$5,205
Total	1,543	1,113	\$4,870
Cameron County	13	8	\$4,833
Concho Valley	19	15	\$4,522
Upper Rio Grande	1,003	698	\$4,239
West Central	n/a	n/a	\$4,084
Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.			

Table 9 shows the top 10 industries of employment for all training participants employed in the target quarter. Employment Services was the most common industry sector of employment, followed by Elementary and Secondary Schools, and Support Activities for Mining. Employment Services usually include temporary employment agencies that many employers use to find workers to try out first before hiring permanently. Employers also use Temporary Employment Agencies to augment staff during high demand periods without being saddled with paying benefits for permanent staff. We expect individuals who are continuously employed over the study period to move out of temporary employment and into an industry sector with longer term employment. Individuals working in the Support Activities for Mining industry sector posted the highest median earnings at \$14,433. The General Medical and Surgical Hospitals industry sector had the second highest median earnings at \$7,433.

**Table 9. Top 10 Industries of Employment for Training Group
by 4-Digit NAICS Code**

Industry of Employment	N Working	Median Earnings	NAICS Code
Employment Services	165	\$3,949	5613
Elementary and Secondary Schools	50	\$4,309	6111
Support Activities for Mining	42	\$14,433	2131
Building Equipment Contractors	39	\$5,200	2382
Offices of Physicians	30	\$4,403	6211
General Freight Trucking	27	\$6,441	4841
Data Processing, Hosting, and Related Services	24	\$3,667	5182
General Medical and Surgical Hospitals	24	\$7,433	6221
Other General Merchandise Stores	22	\$4,158	4529
Home Health Care Services	22	\$2,260	6216

Table 10 shows the ten higher education institutions with the most TAA program Training participants enrolled in the Fall of 2008. The El Paso Community College District had the largest number of program participants enrolled. Overall, only 3.1 percent of the cohort was found enrolled in higher education in 2008.

**Table 10. Top 10 Higher Education Institutions,
All TAA Training Participants Enrolled in Fall 2008**

Institution	N	% of All Enrolled	% of Cohort
El Paso Community College District	27	44.3	1.8
McLennan Community College	n/a	6.6	0.3
DCCCD Eastfield College	n/a	4.9	0.2
Tarrant County Community College – South Campus	n/a	4.9	0.2
Hill College	n/a	3.3	0.1
Howard College	n/a	3.3	0.1
Kilgore College	n/a	3.3	0.1
Navarro College	n/a	3.3	0.1
University of Texas at El Paso	n/a	3.3	0.1
Austin Community College	n/a	3.3	0.1

Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.

Table 11 shows the ten programs of instruction with the most TAA Training participants enrolled in Fall 2008, by Classification of Instructional Program (CIP) title. We see the majority of enrollees were found enrolled in Liberal Arts and Sciences/Liberal Studies. This really is not indicative of anything, and that CIP title is generally used as a “catch-all” for people who have not decided on a specific liberal arts major.

Table 11. Top 10 CIP Titles for All TAA Training Program Participants Enrolled in Fall 2008

CIP Title	N	% of All Enrolled	% of Cohort
Liberal Arts and Sciences/Liberal Studies	15	24.6	1.0
Multi-/Interdisciplinary Studies, Other	n/a	6.6	0.3
Communication Studies/Speech Communication and Rhetoric	n/a	3.3	0.1
Computer and Information Sciences, General	n/a	3.3	0.1
Drafting and Design Technology/Technician, General	n/a	3.3	0.1
Child Development	n/a	3.3	0.1
General Studies	n/a	3.3	0.1
Heating, Air Conditioning, Ventilation and Refrigeration Maintenance Technology/Technician (HAC, HACR, HVAC, HVACR)	n/a	3.3	0.1
Licensed Practical /Vocational Nurse Training (LPN, LVN, Cert, Dipl, AAS)	n/a	3.3	0.1
Business/Commerce, General	n/a	3.3	0.1

Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.

Appendix A

Description of Trade Services and Benefits for Trade-certified Workers

Training assistance can be provided to Trade-certified workers when no suitable work is available within their local commuting area. Training opportunities include on-the-job training (OJT), vocational or technical training, customized training, and remedial education as part of an occupational training program. Generally, participants must complete training programs within 104 weeks. Up to 26 weeks of training can be added if remedial education is necessary to complete occupational training. The training provides job skills that participants need to obtain employment in high-growth, high-demand occupations, such as computer-related occupations, accounting clerk positions, nursing and other health and dental service occupations, computer-assisted drafting, general clerical positions, heating and air conditioning repair, electronics, pharmacy technology, various machine repair positions, and truck driving.

Job search allowances cover the expenses participants incur in seeking employment outside their normal commuting area. Participants may receive up to 90 percent of necessary transportation and living expenses (with a maximum of \$1,250) while searching for such employment.

Relocation allowances pay 90 percent of the reasonable and necessary expenses of moving participants, their families, and their household goods to a new location, if participants obtain employment outside their normal commuting area. As part of their relocation allowance, participants may receive a lump sum payment equal to three times their former average weekly wage (with a maximum of \$1,250) to pay deposits and help them get settled.

Weekly income support benefits (Trade Readjustment Allowances) may be paid to eligible participants after they exhaust their state UI benefits. The income provides financial support to participants and their families while the participants are in a TAA-approved training program. Although TRA payments are intended to help assist individuals enrolled in approved training programs, in some cases the training requirement can be waived (e.g., where training is not feasible). The amount of the income support payments is typically the same as the participant's UI payments; however, these benefits are not UI, are not charged against the employer's accounts, and do not affect the employer's UI tax rates. The total length of time a participant can receive weekly benefits, including UI and TRA, generally cannot exceed two years. In cases where a participant needs remedial training to enroll in occupational training or become job ready, benefits may be extended.

Health Coverage Tax Credit (HCTC) pays 65 percent of the cost of health insurance premiums for health coverage under the Consolidated Omnibus Budget Reconciliation Act—COBRA—of 1985 or other qualified health insurance plans. An individual must be eligible for TRA payments to be eligible for HCTC.

Alternative Trade Adjustment Assistance (ATAA) pays a 50 percent pay differential, based on the worker's prior and current wages, to older Trade-certified workers who find employment within 26 weeks of being laid off.

Description of Service Delivery for Trade-certified Workers

Service delivery begins when an employer provides notice of an impending layoff or plant closure, when TWC staff receives notification of an event by other means, or when a Trade petition is filed. The Board in the affected area provides Rapid Response services by meeting with the employer to arrange early intervention reemployment services for affected workers. The Board and Texas Workforce Center staff members provide the employer and employees with information about workforce services, including Trade services.

Rapid Response early intervention services provide immediate aid to potentially dislocated workers affected by plant closings and large layoffs. The objective is to help these workers find reemployment as quickly as possible, often before their last day of work. Trade-certified workers also may be notified of possible eligibility for services by individual mail-outs in English and Spanish, press releases, or notices published in newspapers announcing Trade certifications.

During the Rapid Response effort, Texas Workforce Center staff conducts employee orientations and seminars concerning job search skills, stress management, financial management, and local labor market information. Activities such as local job fairs and job referrals also occur. If workers have been certified under a Trade petition by DOL, or if a certification will likely occur, orientations and assistance include information about Trade services and benefits. Providing this information to employees during Rapid Response activities helps to ensure that Trade-certified workers apply for services and file for benefits as early as possible to meet the TRA benefit eligibility timelines. Following job separation, Trade-certified workers can access WorkInTexas.com to find jobs that match their skills and experience, or they can receive staff-assisted job search services through a Texas Workforce Center.

Through co-enrollment in WIA Dislocated Worker services, Trade-certified workers can receive thorough assessment services. If a Trade-certified worker lacks the job skills required to secure suitable employment, he or she can receive occupational training to prepare for a high-growth, high-demand occupation. Board-approved vendors can provide occupational training, or occupational training can be provided through customized training or OJT with an employer. Texas Workforce Center staff continues to work with participants while they are in training. TWC continuously stresses the need for training that integrates occupational job skills with the necessary basic education and language skills required for the occupation. While in training, the participant can file claims for weekly support payments through TWC's UI system.

Not all workers covered under a Trade certification request services. Many workers who are potentially eligible for Trade services and benefits find reemployment quickly, take advantage of retirement options or transfers within a company, or become self-employed.

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