

# Trade-Related Job Loss in Oregon

An Analysis of U.S. Labor Department Data by the Oregon Fair Trade Campaign

*June 2010*

How significant is trade-related job loss in Oregon? This analysis of current data from the U.S. Department of Labor conducted by the Oregon Fair Trade Campaign concludes that:

- **Trade-related job loss accounts for a significant portion of Oregon's overall job losses over the past year.** Between March 2009 and March 2010, 9,955 Oregonians were certified by Labor Department as losing their jobs to trade. This number is 26.6% of the net 37,400 jobs lost over that time period.
- **Trade-related job loss also accounts for significant portion Oregon's ongoing unemployment problem.** The 46,959 total Oregon jobs certified as having been lost to trade during the "NAFTA era" of January 1994 to December 2009 are the equivalent of 2.95% of the state's current total employment — and 22.6% of the state's total unemployment. For technical reasons pertaining to the data pool, only a fraction of the Oregon jobs lost to direct offshoring or competition from imports are even counted in these figures.
- **For a variety of reasons, 2009 was an unprecedented year for trade-related job losses certified by the Labor Department.** The 9,457 Oregon workers certified as losing their jobs to trade in 2009 was 322% higher than the average number of workers certified each year between 1994 and 2009.

## ***Data Source***

Data for this analysis comes from the U.S. Department of Labor's Trade Adjustment Assistance (TAA) program.<sup>1</sup> The TAA program provides workers whose jobs are certified by the Department as being lost due to trade — either through direct offshoring or displacement by imports — with extended unemployment and job retraining benefits.

In the absence of better government data, TAA certifications provide an extremely conservative estimate of the number of jobs lost due to trade. Because someone must take the affirmative step of submitting an application requesting that a worksite be qualified for the TAA program, TAA certifications almost always offer an undercount of the true number of trade-related job losses in a given area. Put simply, if an application isn't submitted, the job losses aren't included in the data.<sup>2</sup>

Beyond this, TAA data prior to May 18, 2009 offers an especially substantial undercount of the total jobs lost due to trade. Prior to eligibility changes to the program that took effect that date, TAA benefits were primarily only available to workers from the manufacturing sector. After May 18, the TAA program was expanded to include service sector employees, public employees and employees of companies that produce parts, supply testing, provide maintenance or offer transportation to other TAA-certified companies.<sup>3</sup>

This expansion of the program is one reason for the major increase in Oregon workers certified for TAA benefits in 2009. The increase in TAA certifications following expansion of the program also suggests that the number of certifications from earlier in 2009 and in years prior would have been much higher if the program had included a wider range of workers affected by trade-related job loss.

The Oregon Fair Trade Campaign has long called on the federal government to more-precisely track trade-related job losses, and continues that call today.

### ***Findings***

From the time that the North American Free Trade Agreement (NAFTA) took effect on January 1, 1994 through the end of 2009, 46,959 Oregon workers were certified by the U.S. Department of Labor as losing their jobs due to trade.

As noted above, this data represents the total number of Oregon workers certified as qualifying for Trade Adjustment Assistance over that time period, and offers a **serious underestimate** of the total number of jobs lost in the state due to trade. Prior to May 18, 2009, many categories of workers who lost jobs due to offshoring or displacement by imports simply did not meet the restrictive eligibility requirements of the TAA program.

According to the Bureau of Labor Statistics, Oregon's seasonally-adjusted total employment at the end of March 2010 was 1,590,400 and its seasonally-adjusted unemployment was 208,200 (10.6%).<sup>4</sup> Underestimate that they may be, the 46,959 Oregon jobs certified as lost to trade during the "NAFTA era" are still the equivalent of 2.95% of the state's current total employment — and 22.6% of the state's total unemployment. The true number of jobs lost to trade during period in question, while impossible to know with any precision, is certainly much higher.

Between March 2009 and March 2010, 9,955 Oregon workers were certified by Labor Department as losing their jobs to trade. This number is 26.6% of the net 37,400 Oregon jobs lost over that time period.<sup>5</sup> Because of delays in TAA processing and other factors, there is not an exact correlation between these figures, but the data clearly suggests that jobs lost to direct offshoring and displacement by imports account for a significant position of Oregon's recent job loss and overall unemployment.

Between 1994 and 2009, an average of 67 Oregon worksites applied for TAA qualification each year. On average, half of these applications were rejected. Among the certified worksites, each application has covered an average of 88 displaced workers. An average of 2,935 Oregon workers have qualified for the TAA program each year.

An unprecedented 9,457 Oregon workers qualified for the TAA program in 2009. That was 322% higher than the average number of workers certified between 1994 and 2009. Each Congressional district throughout the state also saw an increase in the total number of TAA applications.

Changes to the TAA program that took effect on May 18, 2009 surely account for some of this increase. Still, the first quarter of 2009 alone saw 2,471 Oregon workers certified — a number almost equal to the pre-2009 *annual* average of 2,500 certifications. This suggests that the ongoing economic crisis, or other factors beyond changes to TAA eligibility requirements, also accounted for the larger number of certifications in 2009.

Only with future years' data will it be possible to determine how much of an outlier 2009 really was, and achieve a better understanding of the effect of adding service-sector workers to the TAA program.

### ***The Oregon Fair Trade Campaign***

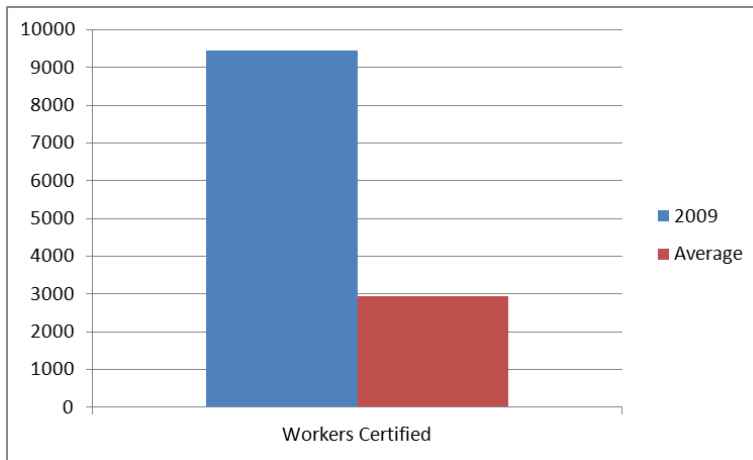
The Oregon Fair Trade Campaign (ORFTC) is a statewide coalition of labor, environmental and human rights organizations working together for trade policies that: prioritize quality jobs in communities across the state; create markets for Oregon products by raising the standard of living in neighboring countries; enforce consistent standards for labor and the environment across borders; and allow our producers to compete on a level playing field.

ORFTC believes it is possible to maintain and even increase export-related jobs in Oregon without losing so many jobs to offshoring and competition from imports. Towards this end, we support trade policies that lift living standards rather than create a race to the bottom. For more information, visit our website at: [www.oregonfairtrade.org](http://www.oregonfairtrade.org).

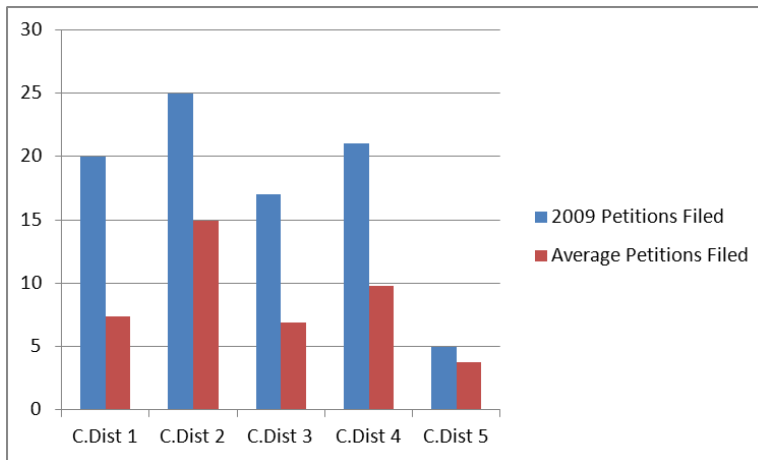
*ORFTC extends our gratitude to intern Devin Gilbert for his work on this report.*

## Appendix 1, Graphs

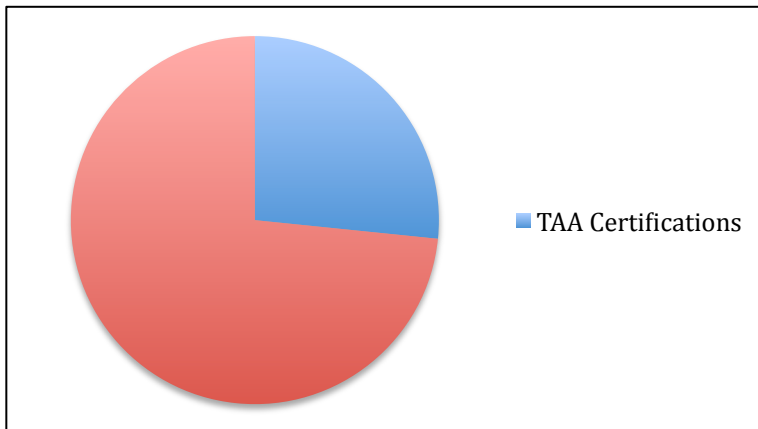
### Oregonians Certified for TAA Benefits Each Year



### TAA Applications Submitted by Congressional District



### TAA Certifications as a Percentage of Total Oregon Job Losses (March 2009 to March 2010)



## Appendix 2, Oregon TAA Certifications in 2009<sup>6</sup>

Company	Location	SIC	Decision Date
Maxim Integrated Products	Hillsboro, OR	3674	1/23/2009
International Paper	Albany, OR	2679	1/23/2009
Timber Products Company	White City, OR	2435	1/30/2009
PPM Technologies, Inc.	Newberg, OR	3556	1/30/2009
GE Security Supply Chain Tualatin	Tualatin, OR	3651	2/6/2009
Daimler Trucks North America	Portland, OR	3711	2/11/2009
Northwest Aluminum Specialties	The Dalles, OR	3341	2/11/2009
Master Brand Cabinets	Grants Pass, OR	2434	2/12/2009
Rosboro Lumber Company	Springfield, OR	2493	2/20/2009
Indepak, Inc.	Portland, OR	3089	2/26/2009
Maxim Integrated Products	Beaverton, OR	3674	2/26/2009
Woodgrain Millworks, Inc.	Prineville, OR	2431	5/1/2009
IDEX Solutions	Portland, OR	3711	5/11/2009
Tarkio Corporation	Beaverton, OR	3599	6/19/2009
Tektronix, Inc.	Beaverton, OR	7389	6/26/2009
Symantec Corporation	Springfield, OR	7372	7/21/2009
Radisys Corporation	Hillsboro, OR	3571	8/14/2009
Sauer Danfoss US Company	Hillsboro, OR	3492	8/21/2009
Connor Manufacturing Services	Portland, OR	3469	8/21/2009
Cascade Microtech, Inc.	Beaverton, OR	3825	8/24/2009
Health Net, Inc	Tigard, OR	7389	8/25/2009
Boise Cascade, LLC	St. Helens, OR	2435	8/26/2009
Hampton Lumber Mills, Inc.	Willamina, OR	2421	8/31/2009
Datalogic Mobile, Inc.	Eugene, OR	3577	8/31/2009
Hampton Lumber Mills, Inc.	Tillamook, OR	2421	8/31/2009
Hirel Systems	Hillsboro, OR	3679	9/3/2009
Rosboro, LLC	Springfield, OR	2439	9/3/2009
Rosboro, LLC	Springfield, OR	2439	9/3/2009
Blount, Inc.	Milwaukie, OR	3425	9/8/2009
Carlton Company, Inc.	Milwaukie, OR	3425	9/8/2009
Ultimizers, Inc.	Boring, OR	3546	9/9/2009
Avaya, Inc.	All Locations, OR	3669	9/11/2009

Braka Industries, Inc.	Salem, OR	3499	9/15/2009
United States Gypsum Company	Rainier, OR	3275	9/17/2009
Datalogic Scanning, Inc.	Eugene, OR	3577	9/23/2009
Panel Crafters, Inc.	White City, OR	2435	9/29/2009
Auto Truck Transport	Portland, OR	4215	9/30/2009
RM International, Inc.	Madras, OR	4731	10/16/2009
RM International, Inc.	Portland, OR	4731	10/16/2009
The Boeing Company	Portland, OR	3721	10/19/2009
Weyerhaeuser NR	Albany, OR	2439	10/22/2009
Axcelis Technologies	Portland, OR	7629	10/22/2009
Fleetwood Travel Trailers of Oregon	Pendleton, OR	5561	10/28/2009
Murphy Veneer Company	White City, OR	2915	10/28/2009
Fleetwood Travel Trailers of Oregon	La Grande, OR	5561	10/28/2009
Philips Respironics	Bend, OR	3841	11/5/2009
Roseburg Forest Products	Dillard, OR	2435	11/9/2009
Cessna Aircraft Company	Bend, OR	3721	11/10/2009
Benchmark Electronics, Inc.	Beaverton, OR	3679	11/16/2009
Cleanpak International	Clackamas, OR	3564	11/19/2009
Evraz Oregon Steel Mills, Inc.	Portland, OR	3312	11/20/2009
Joseph T. Ryerson and Son, Inc.	Portland, OR	3464	11/20/2009
Oregon Metallurgical Corporation	Albany, OR	0000	12/2/2009
Brooks Automation, Inc.	Portland, OR	3559	12/9/2009
iLevel	Dallas, OR	2421	12/10/2009
Boyd Corporation	Portland, OR	3069	12/10/2009
D.R. Johnson Lumber Company	Riddle, OR	2421	12/11/2009
Boise White Paper, LLC	St. Helens, OR	2611	12/14/2009
Daimler Trucks North America LLC	Portland, OR	3711	12/15/2009
Bright Wood Corporation	Madras, OR	2426	12/15/2009
Bright Wood Corporation	Redmond, OR	2426	12/15/2009
A.R.E. Manufacturing, Inc.	Newberg, OR	3451	12/15/2009
GemStone Systems, Inc.	Beaverton, OR	7371	12/18/2009
Metso Minerals Industries, Inc.	Portland, OR	3325	12/22/2009
Sonetics Corporation	Tigard, OR	3669	12/30/2009

### Appendix 3, Oregon Trade Adjustment Assistance Data<sup>7</sup>

<b>Year</b>	<b>Petitions Filed</b>	<b>Petitions Certified</b>	<b>Workers Certified</b>	<b>Average Processing Time</b>
1994	12	11	426	81 days
1995	33	19	760	41 days
1996	44	28	1608	43 days
1997	34	12	976	51 days
1998	60	32	2390	43 days
1999	60	26	1364	47 days
2000	66	32	4912	48 days
2001	91	23	2090	95 days
2002	63	43	7802	70 days
2003	116	54	3310	41 days
2004	59	25	4713	30 days
2005	68	29	1350	33 days
2006	72	22	1054	55 days
2007	55	32	1523	38 days
2008	75	34	3224	47 days
2009	157	65	9457	108 days
<b>AVERAGES</b>	67	30	2,935	51 days
<b>TOTALS</b>	1,065	487	46,959	n/a

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#### Endnotes

<sup>1</sup> <http://www.doleta.gov/tradeact/>

<sup>2</sup> Likewise, with the Labor Department rejecting half of the TAA applications it receives from Oregon, there is little to suggest that people are qualifying for benefits who shouldn't.

<sup>3</sup> <http://www.doleta.gov/tradeact/ChangesFAQ.cfm>

<sup>4</sup> [http://www.bls.gov/news.release/archives/laus\\_04162010.pdf](http://www.bls.gov/news.release/archives/laus_04162010.pdf)

<sup>5</sup> [http://www.bls.gov/news.release/archives/laus\\_04162010.pdf](http://www.bls.gov/news.release/archives/laus_04162010.pdf)

<sup>6</sup> <http://www.doleta.gov/tradeact/determinations.cfm>

<sup>7</sup> [http://www.doleta.gov/tradeact/taa\\_reports/petitions.cfm](http://www.doleta.gov/tradeact/taa_reports/petitions.cfm)