

The NAFTA Model: A Raw Deal for Women Workers in the U.S.

TRADE-RELATED JOB LOSS HAS A DISPROPORTIONATE IMPACT ON WOMEN.

- According to a 1999 survey, 66 percent of all recipients of NAFTA-Trade Adjustment Assistance were women. (General Accounting Office, "Trade Adjustment Assistance: Trends, Outcomes, and Management Issues in Dislocated Worker Programs," GAO-01-59, October 2000).
- In 2000, women made up 59.1 percent of the initial unemployment claimants in extended mass lay-offs due to import competition and 57.0 percent in extended mass lay-offs due to relocation overseas. (BLS, "Extended Mass Layoffs in 2000," Report 951, July 2001).

WITHIN THE MANUFACTURING SECTOR, WOMEN'S EMPLOYMENT IS CONCENTRATED IN INDUSTRIES MOST LIKELY TO RELOCATE OVERSEAS OR SHUT DOWN AS A RESULT OF IMPORT COMPETITION.

- Women are employed disproportionately in the apparel, textile, and leather industries, which are the most vulnerable to import competition. Women comprise 57.6 percent of apparel and textile workers, compared to only 32.5 percent of all manufacturing workers and 46.5 percent of the entire labor force. (Bureau of Labor Statistics, Current Population Survey, 2000).

DUE TO FACTORS BEYOND CONCENTRATION IN TRADE-SENSITIVE INDUSTRIES, WOMEN ARE DISPROPORTIONATELY MORE LIKELY TO BE LAID-OFF WHEN ECONOMIC RESTRUCTURING OCCURS.

- Disproportionate job loss among women in trade-sensitive industries cannot be explained solely by their concentration in these industries. Women are often the first to be laid off when restructuring occurs because they typically have less seniority and job security.
- While women comprise 57.6 percent of apparel and textile workers, they account for a disproportionately high 74.2 percent -- or 464,000 -- of the 625,000 apparel and textile jobs lost since NAFTA went into effect. (BLS, National Employment Hours and Earnings, December 1993 - August 2001).

WHEN U.S. COMPANIES SHUT DOWN OR MOVE ABROAD, WOMEN'S GOOD-PAYING UNION JOBS ARE OFTEN REPLACED BY LOWER-PAYING, PART-TIME, NON-UNION JOBS IN RETAIL TRADE AND SERVICES.

- Since NAFTA was enacted in 1993, the low-wage service sector has been "the source of 112 percent of net new jobs created in the US ... where average compensation is only 77 percent of manufacturing's average." (Mishel, Lawrence, Bernstein, Jared, and Schmitt, John, *The State of Working America* (1997)).
- Textile jobs pay 64 percent more than retail sector jobs: \$451.00 in weekly wages for non-supervisory workers, compared to \$274.83 for retail. (BLS, October 2000).

- In 1999, only 75 percent of laid-off workers participating in the NAFTA Trade Adjustment Assistance program were reemployed, and only 56 percent obtained jobs earning at least 80 percent of their previous wage. (GAO, October, 2000).
- The Bureau of Labor Statistics notes, “Although most of the job growth in the United States continues to be concentrated in the service-producing sector ... workers in these industries have an above-average risk of being displaced.” (BLS, August 9, 2000).

ONCE UNEMPLOYED, WOMEN ARE LESS LIKELY THAN MEN TO FIND REEMPLOYMENT.

- “In February, 2000, 79 percent of men [displaced between 1997 and 1999] were re-employed, compared with 67 percent of women....The proportion of displaced women who had left the labor force, at 21 percent, was nearly twice that for men—12 percent.” (BLS, August 9, 2000)
- When women are unable to find reemployment, many are forced into nonstandard employment or work in the informal sector. Women comprise 67.9 percent of part-time workers in the United States, 47.5 percent of multiple jobholders (BLS 2000), 51 percent of contingent workers, and 57.8 percent of workers paid by temporary help agencies. (BLS, February 1999).

THE ABILITY OF U.S. COMPANIES TO RELOCATE ABROAD HAS LED TO AN EROSION OF MANUFACTURING WAGES AND UNION BARGAINING POWER, WITH A DISPROPORTIONATE IMPACT ON WOMEN WORKERS.

- In a study commissioned by the U.S. Trade Deficit Review Commission of more than 600 union organizing campaigns, researchers found that in over 62 percent of the cases, employers “made threats to close all or part of the plant during the organizing drive. The threat rate is significantly higher, 68 percent, in mobile industries such as manufacturing...compared to a 36 percent threat rate in relatively immobile industries.” (Bronfenbrenner, Dr. Kate “Uneasy Terrain: The Impact of Capital Mobility on Workers, Wages, and Union Organizing,” Cornell University, September 6, 2000).
- Decreased bargaining power means lower wages for all workers. Despite the economic boom of the late 1990s, the median real wage of U.S. workers is actually lower today than in 1973. (Bronfenbrenner, 2000).
- Women workers depend on unions for wage gains more than men do. In 2000, union women earned 31 percent more than nonunion women, whereas union men earned 19 percent more than nonunion men. (U.S. Department of Labor, Employment and Earnings, January 2001).
- Interestingly enough, the gap between women’s and men’s weekly earnings has increased since NAFTA went into effect, though it had been on a steady decline throughout the 13 years before NAFTA. (U.S. Department of Labor, “Women’s Earnings as Percent of Men’s, 1979-1999,” February 2000).