



Committee On Finance

Max Baucus, Ranking Member

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For Immediate Release
Wednesday, February 15, 2006

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BAUCUS SAYS INADEQUATE TAA COMMITMENT MAY ERODE SUPPORT FOR TRADE

GAO report cites insufficient outreach to workers

Washington, DC – Citing a newly released Government Accountability Office (GAO) report, U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, today warned that poor implementation of Trade Adjustment Assistance (TAA) benefits created by the Trade Act of 2002 could erode support for continuing trade liberalization. The GAO report requested last year by the Finance and HELP Committees found that the Bush Administration has failed to reach out sufficiently to workers who have lost their jobs due to trade, and are eligible for assistance. At four of five layoff sites reviewed by the GAO, most displaced workers who sought job placement assistance were unaware of new health care benefits created by the 2002 Trade Act. Only about half of the workers were aware of Alternative TAA, a new wage replacement benefit available to older workers.

“Instead of embracing TAA, the administration seems to implement the program in ways calculated to minimize enrollment,” Baucus said. **“I think this is shortsighted at best. Popular support for trade liberalization depends upon helping those whose jobs are affected by trade.”**

Baucus spearheaded TAA reforms as Chairman of the Senate Finance Committee in 2002. TAA is due for reauthorization next year, and in his keynote address at today’s Trade Adjustment Assistance Coalition luncheon, Baucus plans to highlight his legislative agenda to build on the Trade Act’s TAA reforms. Baucus has introduced four TAA-related bills the 109th Congress, including an extension of TAA coverage to service workers and a wage insurance alternative for younger workers.

“Workers must know that they won’t be left behind on the losing side of global competition,” said Baucus. **“Popular resistance to trade liberalization will grow unless there is a safety net to support and retrain workers affected by the changing global market.”**

Baucus also plans to address low participation for the TAA health care tax credit program. High costs and the lack of awareness about health care benefits have resulted in low enrollment, ranging between three and 12 percent for workers at the five layoff sites reviewed by GAO.

“Losing health coverage can be as great a blow to many workers as losing a job,” Baucus said. **“I worked to add this health benefit to make sure workers wouldn’t lose access to health care, but enrollment is a fraction of what it should be. The Administration needs to do a better job of letting workers know about this program. We must also address this affordability gap.”**

Baucus is a co-chair of the Trade Adjustment Assistance Coalition, along with Sen. Norm Coleman (R-Minn.) and Rep. Adam Smith (R-Wash.).

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