



## **STATEMENT OF BRUCE HERMAN, EXECUTIVE DIRECTOR, NATIONAL EMPLOYMENT LAW PROJECT RE: FORD LAYOFFS**

### **Ripple Effect Could be Dramatic**

#### **Press Release**

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"The layoffs announced today by the Ford Motor Company are just the tip of the iceberg for affected communities. Workers and their families will feel the pain of this downsizing in ways the conventional wisdom won't recognize.

"We live in a global economy where foreign competition has an enormous impact. Workers will feel this impact far beyond Ford manufacturing plants. For every job lost at Ford, jobs across the country are in peril. Non-union parts suppliers are most at risk, but so are jobs at places that rely on these plants - everything from supermarkets to hardware stores.

"All the workers impacted by today's announcement should have easy access to the benefits of the Trade Adjustment Assistance program. Under this program, qualified workers can receive up to two years of training, extended unemployment benefits and a health care tax credit. It is vital that employers, state agencies, and local communities direct dislocated workers to these resources so that they and their families can get back on their feet."

Congress reformed the TAA program in 2002 to increase access to retraining, but the program is still failing to meet its potential:

- The number of participants in the program has quadrupled since the program was reformed, but the amount of training dollars allocated by Congress (now \$200 million) has only doubled.
- Workers who are secondarily impacted by a major layoff (who often lack the protection of union contracts) can now receive assistance. However, less than five percent of TAA participants are from such secondary certifications because such suppliers are not reached by government agencies.

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