

Notes and Brief Reports

Trade Readjustment Allowances*

The Automotive Products Trade Act of 1965 (APTA) is an extension of the Trade Expansion Act of 1962 (TEA) with specific applicability to the products of one vast United States industry and imports of those products under trade agreements with one foreign country—Canada. Both acts provide trade readjustment allowances to workers who lose jobs because of reduced tariffs or duty-free entry of foreign products competitive to their firm's goods.

Before allowances can be paid, application must be made for certification that the industry (for APTA, the firm) has, in fact, been injured by the competitive foreign products. Certification application can be made either by a firm or its representative, or by a group of at least three workers in a firm or their union or other representative. For automotive firms, application is made for relief under TEA, title III. Individual workers may apply for the allowances only after the firm has been certified.

A trade readjustment allowance for a week of unemployment equals 65 percent of the worker's own average weekly wage or the average weekly manufacturing wage (whichever is smaller), reduced by half his pay for any services performed during the week. The allowance is also reduced by any State unemployment insurance benefit the worker may receive for a given week, or by any training allowance he may receive.

In general, trade readjustment allowances may be paid for not more than 52 weeks. However, a worker in training may be paid for as many as 26 additional weeks; a worker aged 60 or over may receive the allowance for 13 additional weeks. Weeks of partial unemployment are also compensated.

The TEA provides that "adversely affected workers shall be afforded, where appropriate, the testing, counseling, training, and placement services provided under any Federal law." In-

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plant training courses are also mentioned. During the fiscal year 1967-68, however, less than 3 percent of APTA benefits went to workers in training and fewer than 3 percent of the beneficiaries in any given week were trainees.

The first certification petition was approved April 14, 1966; it covered 150 workers of the Ford-Pennsauken Company in New Jersey. To the end of 1966 about 1,100 workers had received allowances totaling \$625,637. At the beginning of February 1968, allowances were being paid in seven States.

Trade readjustment allowances under the Automotive Products Act of 1965, 1966-68

[Amounts in thousands]

Year	Amount of benefits		Number of beneficiaries ¹	
	Fiscal year	Calendar year	Fiscal year	Calendar year
1966.....	\$35	\$626	(?)	(?)
1967.....	1,879	2,500	1,082	420
1968.....	1,649	103

¹ Represents average number of weekly beneficiaries at end of period.

² Not available.

Source: Monthly program data provided by Bureau of Employment Security, Department of Labor.

Monthly data for these allowances have now become available on a continuing basis and will be incorporated in table M-1 of the Current Operating Statistics section of the BULLETIN on cash benefit payments and table M-3 on beneficiaries. They will be grouped with unemployment benefits under State laws together with data for the three ex-servicemen's and veterans' programs and the one for Federal civilian employees.

Social Security Abroad

RECENT DEVELOPMENTS of significance in the field of social security are reported for two countries in the notes that follow.*

* Prepared by International Staff, Office of Research and Statistics.