

**Outcomes of Trade Adjustment Assistance for Farmers Program in the United States:
Trade Reform Act of 2002**

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Abstract

More farmers and fishermen in the United States are facing global competition than in the last decade. The Trade Adjustment Assistance for Farmers and Fishermen program is made available to support the impact of declining domestic prices due to agricultural importation. As the program nears termination in 2007, there is a need to assess the outcomes on program implementation.

Key words: Trade Assistance, Agriculture policy, Trade Outcome, Farmer assistance programs

JEL:

Introduction

With increasing globalization, United States farmers are facing more competition than in the last century. The search for low-cost food production has spanned worldwide. Important drivers for agricultural food trade globalization are low labor cost, low input cost, cost-efficient production technology and efficient transportation logistics. Favorable situations for these drivers have made food supply to the U.S. consumers readily available at low cost. The harsh realities of economics affecting many U.S. small-scale farmers who lack cost-efficient technology, high labor and input cost have extended to large commercial farmers as all are faced with increasing competition from foreign suppliers.

The Trade Adjustment Assistance for Farmers and Fishermen (TAA) as an amendment to Trade Act of 2002 (Public Law 107-210), was borne out of important necessities related to recent development in and the opening of international trade. The act is a price support strategy for farmers and fishermen, referred to as producers. Although TAA has existed since 1962 to provide assistance to dislocated firms and workers, the farmers, fishermen and aquaculture farmers only received these benefits starting in 2003 (DOLETA,2007).

The TAA has an authorization of not more than \$90 million for each fiscal year from 2003 to 2007. It is administered by the Foreign Agricultural Service, an agency of the U.S. Department of Agriculture. Because this program will terminate on September 30, 2007, a new temporary Public Law 110-89 was signed on September 28, 2007 to extend up to December 2007 (110th Congress, 2007); an allocation of 9 million dollars was allotted for this 3-month extension. This extension will hopefully give way to study the pending Senate bill number 1848 entitled Trade and Globalization Adjustment Assistance Act of 2007 which seeks to address comprehensive amendments of the existing law.

It is imperative to understand the program implementation. Program implementation starts when at least 3 producers per commodity petitioned the Administrator of the Foreign Agricultural Service (FAS) for trade adjustment assistance from August 15 through January 31. The FAS will review the petition for appropriateness, completeness and timeliness before publishing a notice in the Federal Register that it has been received.

The Economic Research Service (ERS) of the U.S. Department of Agriculture (USDA) will then conduct a market study to verify the decline in producer prices and to assess possible causes, taking account of any special factors which may have affected price of the articles concerned. These special factors are import, export, production, changes in consumer preferences, weather conditions, diseases and other relevant issues. The ERS reports its findings to the FAS Administrator, who then determines whether or not the group is eligible for trade adjustment assistance. The petitioned commodity needs to pass two eligibility requirements: 1) if the national average price in most recent marketing year for the commodity produced by the group is equal to or less than 80 percent of the national average prices in the preceding 5 marketing years, and 2) increase in imports of the commodity contributed importantly to the decline in price. The Administrator will certify the groups as eligible for trade adjustment assistance if the two requirements are met.

Upon certification, producers have 90 days to contact the Farm Service Agency (FSA) to apply for assistance. As soon as they apply, they are eligible to receive at no cost a technical assistance package specifically tailored to their needs by the Cooperative State Research, Extension and Education Service (CSREES), a pre-requisite to receive payment. Other requirements are certification that the total net farm income decline during the petitioned year and that gross farm income is no more than \$2.5 million. (FAS, 2003).

Empirical studies have shown greater benefits of welfare programs can be observed when participation is emphasis on providing work rather than education and training (Peck and Scott, 2005). However, by providing an appropriate educational skills and training participants for the trade adjustment assistance may leverage this opportunity for retooling skills. Earlier TAA evaluation of dislocated workers by the United States Government Accounting Office (GAO) reported that TAA “lacks the ongoing counseling and support often cited as necessary to ensure completion of training and that it rarely works with participants after they complete the training” (Morra,1993). The report indicates follow-up and monitoring are also important to ensure effective social benefits. Regarding TAA, respondents to a survey conducted by USDA were generally satisfied with the quality of technical assistance but dissatisfied with inadequate information on how to evaluate commodity substitution. It also reported that though the program “provided some assistance, it had limited participation and low expenditures” (GAO, 2006). Based upon these findings, it is more urgent to evaluate the outcomes of this program.

Objectives

As the benefits of this Trade Adjustment Assistance for Farmers Program under the Trade Act of 2002 are near termination, it is imperative to evaluate the outcome of the program towards its targeted beneficiary. Specifically, the objectives of this study is (1) to determine the extent of participation by commodity sector, (2) to assess the factors and it’s corresponding rate of commodity petition ineligibility, (3) to assess the extent of financial compensation received by the producers per commodity that had utilized this program, and (4) to assess the *ex-ante* outcome on farmer’s program under the proposed law on Trade and Globalization Adjustment Assistance Act of 2007.

Data and Methods

Data sources used in this study were secondary and sourced from the Foreign Agricultural Service online of the United States Department of Agriculture. In particular, the data were taken from the Petition Registry and the Prior Year Petitions folders of the official FAS website. Supporting the FAS data for analysis was from the United States Government Accountability Office, the GAO Reports on Trade Adjustment Assistance evaluation. This source provides document to which similar programs were earlier evaluated.

To address the objectives of this study, data was analyzed to determine frequency distribution, percentages and cross tabulations. As descriptive evaluation, the analysis focuses on highlighting significant attributes in program implementation. Outcomes in this study broadly refer to the immediate effects of the program. Data is analyzed by commodity to yield the most substantial bases of information due to the commodity focus of the program.

Results and Discussion

Sixty-nine (69) complete petitions were retrieved and reviewed from the FAS online petition registry. Tabulated data (table 1) indicate the fishery sector had the highest total number of petition filed comprising 52.2 percent, followed by the fruits at 26.1 percent and the vegetables at 8.7 percent. Other commodities like ornamental crop, grains, oil crops and other crops comprise less than 6 percent of the total petitions filed from 2002 to 2007. This result suggests the extent to which these commodities had experienced declines in prices, the most visible impact on trade liberalization surplus.

In terms of program participation, table 1 reflects that producers' participation declined over time. Data indicate 12 percent of the participation over the study period was in 2002, 36 percent in 2003, 19 percent in 2004, 23 percent in 2005, 6 percent in 2006. Towards termination

year in July of 2007 it accounted for only 4 percent of the total participation. In terms of financial expenditures, only 12.8 percent in 2004, 16.7 percent in 2005 and 1.5 percent in 2006 were disbursed out from the \$90 million annual budget (Ag Stat, 2007). From 2004 to 2007, the average program financial utilization is pegged at 10.3 percent. As reflected in agricultural statistics handbook, 2004 reflects the expenditure for 2003 and subsequently in succeeding years. This implies that the program did not reach its intended beneficiaries; as participation rate declined and less than 20 percent of its allocation was utilized over the years of program coverage. It is presumed by the declining participation rate, producer or group of commodity producers were not likely to re-apply after failing to pass the initial eligibility requirements.

To be eligible for trade adjustment assistance, the commodity's price must decline by at least 20 percent from the 5-year average and must show an increase in importation volume. Analyzing the rate of program eligibility as shown in table 1 indicates there is a net negative direction towards program eligibility -- more commodities are disapproved than are approved. In the fishery sector, only 50 percent of petitions were eligible out of the total 36 complete petitions filed. Data also showed that for fruits commodity 61 percent out of 18 petitions filed from 2002 to 2007 were ineligible. This trend also follows with other commodities like vegetables (5 out of 6 petitions ineligible), grains/rice (only 1 petition filed and disapproved), oil crops (3 out of 4 petitions ineligible), ornamental/snapdragon flowers (1 out of 2 petitions ineligible), and all of other crops like tobacco and honey (one petition each and were disapproved). The majority of the commodities applied that for program eligibility were disqualified by one or both of the requirements for program participation and could not take advantage of the benefits provided.

The second objective of this study focuses on assessing the eligibility factors and the corresponding rate of petition ineligibility in order to understand major constraints to program

participation. Data indicate 59.4 percent (41 out of 69) of complete petitions reviewed were ineligible for program benefits from 2002 to 2007. Investigating this trend as shown in table 2 indicates that majority of the petitions filed failed either one of the two critical eligibility criteria: (criteria 1) to indicate an increase in articles of importation must contribute importantly to the decline of producer's price and (criteria 2) that average producer's price declined by 20 percent from the 5-year average marketing year of the commodity. The majority of the commodity petitions failed to satisfy eligibility criteria 1 (61.0 percent of the total 41 petitions that were disapproved). In the fish sector, 29.3 percent of the 41 denied petitions did not satisfy eligibility criteria 1. Fruits (19.5%), vegetables (9.8%) and other commodities (2.4%) completed the total number of petitions that failed to meet criteria 1 requirement (table 2). Ineligibility for criteria 2 accounted 29.0 percent out of 41 ineligible petitions reviewed (fish sector- 9.8 percent, fruits sector-9.7 percent, vegetables- 2.4 percent, and other commodities- 7.1 percent).

Failure to comply with both requirements criteria 1 and 2 registered 1 out of 41 ineligible petitions or only 2.4 percent. The same percentage (2.4%) was accounted for petitions that failed to submit validated prices (factor 3, table 2) and to inappropriately use the cause or reason on the petitioned filed (factor 4) to avail the farmers' benefits under this act. These findings suggest that most commodity producers found it difficult to prove that importation had significantly contributed to decline in price as validated by the ERS.

The third objective of this study is to assess the extent of financial compensation received by the producers that were eligible under this program. This objective seeks to determine after passing the eligibility requirements the amount each producer would likely to receive as financial assistance by commodity. This *ex-post* calculation does not account for other requirements for compensation payment: (1) attend training conducted by the Cooperative State Research,

Extension and Education Service (CSREES); (2) a certification that total farm net income decline during the petitioned year; and (3) that gross farm income is no more than \$2.5 million.

All producers benefiting under this program had an over-all average payment rate of 11.48 percent from the petitioned price or about 6.18 percent of the payment rate from the 5-year price average (table 3). Payment rates vary from one commodity to another as computation is equal to one-half and the difference between the amount equal to 80 percent of the 5-year national price average and current price (section 1580.303 Trade Act of 2002).

For example, prices of shrimp vary by geographic location. Data showed that the 5-year average price of shrimp is lowest in Louisiana at \$1.48/lb and highest in Arizona, Texas, and Georgia at \$4.10/lb based upon the records of eligible producers. For shrimp, the average financial compensation rate is 6.27 percent from the petitioned price or around \$0.13 per pound from \$2.14 per pound average petitioned price as the adjusted compensation (table 3). As the payment rate (PR) computation is relative to 5-year price average and current price, there is a tendency for states having higher average price to be compensated more than states having lower price average. In 2003, Texas shrimp producers received a \$0.28 per pound payment, but producers from Louisiana received only a \$0.06 per pound payment.

Catfish received the lowest compensation in the fish sector, with a computed payment rate of 0.56 percent above the petition price, around \$0.003 per pound from \$0.57/lb petitioned price. The salmon commodity fared better than shrimp as it was paid 9.45 percent from the petitioned price or \$0.04 per pound out from petitioned average price of \$0.45 per pound.

For the grapes commodity, the average payment rate was 6.35 percent from the petitioned price, \$10.32/ton from the \$184.08 per ton petitioned price. Fresh potatoes from Idaho were paid \$0.04/cwt from \$3.85/cwt petitioned price, 0.91 percent. Snapdragon, an ornamental crop, was

compensated at \$0.63/bunch from \$4.41 per bunch petitioned price, 14.22 percent. Blueberries and avocado had a payment rate of \$0.03/lb and \$0.01/lb from \$0.28 and \$0.26 per pound petitioned price, respectively. However, lychee had the highest percentage point compensation at 53.99 percent; producers were compensated \$0.54/lb from \$1.01/lb petitioned price.

As shown in table 3 and as stated in the program's implementing guidelines, even non-petitioner producers can be compensated at the same rate if they come from the same state where the previous compensation had been awarded. This policy implies that it is advantageous for commodity producers in the same location to petition as a group to minimize the transaction cost in filing the necessary supporting documents to receive program benefits.

Findings presented in table 3 are summarized as follows: 1) the over-all payment rate was 11.48 percent of the petition price. This finding suggests that payment rate computation may not be enough to replace the profit loss for the next crop or aquaculture enterprise cycle; 2) 80 percent of the 5-year national price over-all average was pegged at 6.18 percent, much lower than the petitioned price percentage. In effect, this brought the payment computation down as compensation was computed as the difference between the 80 percent of the 5-year average price and the petitioned or current price. These findings may contribute in understanding the factors behind declined participation rate and may disinterest producers to participate this program. As a price support strategy for food producers affected by importation, the payment rate formula may not serve its intended purpose to the full extent desired under the Trade Act of 2002.

While the Trade Adjustment Assistance Act of 2002 was extended up to December 2007, there is a pending resolution to amend the law. The pending bill now introduced at the Senate has a working title "Trade and Globalization Adjustment Assistance Act of 2007" under Senate bill number 1848. This section seeks to discuss the *ex-ante* outcome of this pending law with regards

to its components on farmer's program. It will focus on program eligibility and payment calculation and compare the pending law to the existing Trade Act of 2002.

The proposed law also has two program eligibility requirements. However, there are significant provisions in each of the proposed criteria. One proposed eligibility requirement suggests that imports of articles that contributed importantly to the decline in price be determined without regard to whether imports of such articles increased in the year after the year the group was first certified. Existing eligibility requirement with this criterion suggests that importation must increase to be eligible. Often producers following this criterion failed as validated by ERS. If this proposed eligibility criteria be applied to previous petitions, it will increase an additional 25 petitions (criteria 1, table 2) from the 41 petitions previously disapproved. The other eligibility criteria proposes to use the word 'either' on the national price average to be less than 90 percent of the 5-year national price average preceding the most recent marketing year or the national price average to be less than 90 percent of the two most recent marketing year. Existing law specifies that the national price average be less than or equal to 80 percent of the 5-year national price average. If this proposed eligibility criteria be applied to the previous petitions, it will increase 11 petitions to be approved to satisfy eligibility criteria 2 (table 2) from 41 total petitions previously disapproved. Perusal on previous petitions showed that prices declined from 10.1 to 19.8 percent, except for apples at 5.8 percent. Because either of the proposed eligibility criteria are satisfied, it can increase approved petitions to bring to a total of 37 additional. Thus, if these proposed amendments to the existing eligibility requirements be applied on previous petitions, it can increase program participation from 40.6 percent (28 out 69 petitions) to 94.2 percent (65 out of 69 petitions) or an increase of 53.6 percent.

The proposed law eligibility requirements also have a significant rider to improve program participation and coverage. One is the proposed special rule for re-certification eligibility that requires only to determine a price decline without regard to whether imports of such articles increased in the year after the year the group was first certified (subsection b of section 403 S. 1848 of the proposed law). Another is the net income provision that requires to show no positive net farm income for the 2 most recent consecutive years in which no adjustment assistance was received by the producer (subsection d of section 403 S. 1848). These two riders are significant because: program re-certification was difficult in the previous act as was reported by GAO (2006) because it would require both eligibility requirements to be met and because the net income provision may improve leverage to adopt cost-reducing technologies while on production learning curve.

Under the proposed law, the payment compensation rate has significantly improved. The proposed rate is equal to 85 percent and the difference between either 90 percent of the 5-year national price average or 90 percent of the national price average in the two most recent marketing years and the petitioned price. This is a significant improvement since existing law computes payment rate as equal to 50 percent and the difference between 80 percent of the 5-year national price average and the petitioned price. If this proposed law be applied to previous petitions, *ex-ante* calculation can increase payment rate from an over-all average from \$5.81 to \$13.37 or an increase of 560 percent (table 4). For example as shown in the shrimp commodity, the change of payment leaps to 264 percent but the portion from the petitioned price is only 22 percent payment rate. This trend is similar with other commodities where the difference between the proposed law and existing law shows a large increase in percentage payment rate from catfish (1997%) to salmon (710%), grapes (281%) and others commodities as shown in table 4.

However, if we look at the magnitude of this change based from the petitioned price, the actual effect can only account 31 percent from the average total petitioned price (table 4). The payment that producers will likely to receive is between 12 to 38 percent of the petitioned price, except lychee at 119 percent.

For financial budget consideration, the effective rate can be compared between the petitioned price and the proposed payment rate. Existing program expenditure utilization was \$11.5 million in 2004, \$15 million in 2005 and \$1.5 million in 2006 or an average of \$9.3 million. If the proposed law is applied to previous petitions, approvals will increase from 28 to 65, an increase of 232 percent. Under the proposed new calculation formula, payment rates will increase from 11.48 to 31.0 percent from the petitioned price, resulting in an *ex-post* estimated program expenditure utilization of \$64.7 M assuming a \$90 M annual budget allocation. In future budgetary considerations for the TAA budget, expenditure amounts should be allocated based upon forecasted prices for the products in questions and not rely on current or past prices. This will enhance the intended outcome on the proposed law.

Conclusion and Recommendations

Primarily, the TAA is a price support mechanism to assist food producers in the agriculture sector to cope with an increasing influx of imported foods. Based on sixty-nine complete petitions reviewed, the extent of program participation was minimal in terms of commodity by coverage, by year distribution and by financial distribution. Out of 69 complete petitions reviewed from 2002 to July 2007, 41 petitions or about 59.4 percent were ineligible for program participation. The majority of the factors for program ineligibility are due to failure to prove that importation significantly contributed to a decline in commodity's price (61.0%) and failure to prove that price declined at least by 20 percent (29.0%). In terms of payment

compensation, eligible producers received an average of 11.48 percent from the petitioned price under the 2002 TAA program.

In similar evaluation conducted using the provisions from the proposed law, eligibility requirements for program participation rate from 2002 to 2007 indicate the percentage of petition satisfying eligibility requirements would improve from 40.5 to 94.2 percent, or by 53.6 percent. Assuming the distribution of prices and volumes were the same as under the 2002 TAA, *ex-post* financial payment calculation benefits would improve from 11.48 to 31.0 percent from the petitioned price resulting to estimated \$64.7 million program expenditure utilization.

Therefore, it is suggested that farmers' program under the Trade Act of 2002 be amended to increase program coverage and mitigate towards a more responsive outcome as intended by the act. As proposed, the amendments under the farmers and fishermen program offer a more responsive direction towards payments by relaxing eligibility requirements and increasing compensation rates. It is suggested that budget for the proposed law be adjusted for price sensitivity per commodity.

Table 1: Rate of Program Participation, Eligibility and Ineligibility by Commodity, 2002-2007

Commodity Group	Year							Percent				
	2002	2003	2004	2005	2006	2007 (a)	Total	Partici pation	Eligi ble	In- eligible	Net Eligibi lity (b)	
Fishery	8	17	6	5			36	52.2%	50%	50%	0%	
Vegetables		2		4			6	8.7%	17%	83%	-67%	
Fruits		4	6	4	2	2	18	26.1%	39%	61%	-22%	
Ornamental				1	1		2	2.9%	50%	50%	0%	
Grains				1			1	1.4%		100%	-100%	
Oil Crops		2	1	1			4	5.8%	25%	75%	-50%	
Others						1	1	2	2.9%		100%	-100%
Total	8	25	13	16	4	3	69					
% by Year	12%	36%	19%	23%	6%	4%		100%				

Source: www.fas.usda.gov/itp/taa/priorpetitions.htm (accessed 7/9/2007)

a) As of July 2007. Program officially ends on September 2007.

b) Net Eligibility = Eligible-Ineligible

Table 2: Denied Petitions by Reason of Disapproval, 2004-2007

Commodity	Criteria/Factors*												
	1		2		1 and 2		3		4		3 and 4		Total
	N	%	N	%	N	%	N	%	N	%	N	%	N
Fish													
Catfish			1	2.4%	1	2.4%							2
Crawfish	1	2.4%											1
Prawn							1	2.4%					1
Shrimp	9	22.0%	2	4.9%									11
Salmon	2	4.9%	1	2.4%									3
Sub-total	12	29.3%	4	9.8%	1	2.4%	1	2.4%					18
Fruits													
Blueberry			1	2.4%									1
Orange			1	2.4%									1
Apples			1	2.4%									1
Lychee	1	2.4%											1
Longan			1	2.4%									1
Acocado	1	2.4%								1	2.4%		2
Olive	2	4.9%											2
Grapes	4	9.8%											4
Sub-total	8	19.5%	4	9.7%						1	2.4%		13
Vegetables													
Potato	3	7.3%											3
Cabbage	1	2.4%											1
Garlic			1	2.4%									1
Sub-total	4	9.8%	1	2.4%									5
Others													
Alfalfa									1	2.4%			1
Tobacco	1	2.4%											1
Snapdragon			1	2.4%									1
Honey			1	2.4%									1
Rice			1	2.4%									1
Sub-total	1	2.4%	3	7.1%					1	2.4%			5
Grand Total	25	61.0%	12	29.0%	1	2.4%	1	2.4%	1	2.4%	1	2.4%	41

*Legends for Criteria/Factor for Disapproval:

1. Increase in imports of articles like or directly competitive with the commodity covered by the petition must contribute importantly to the decline of producer price.

2. Average producers price must decline by 20% from the base period.
 3. Submitted prices could not be validated.
 4. Inappropriate/invalid cause/factor petitioned.

Table 3: Payment Computation for Approved TAA Petitioned by Commodity, 2002-2005

Commodity	State	Year	Unit Price	5-Year Ave.(a)	Petitioned Price (b)	Payment Rate (PR)*	% PR from 5-yr.Ave.**	% PR from Petitioned Price***
Shrimp	N.Carolina	2002	\$/lb	2.42	1.84	0.05	1.90%	2.50%
	S. Carolina	2002	\$/lb	2.41	1.71	0.11	4.49%	6.32%
	Georgia	2002	\$/lb	4.42	3.28	0.13	2.93%	3.95%
	Texas	2002	\$/lb	4.10	2.96	0.16	3.88%	5.37%
	Alabama	2002	\$/lb	2.50	1.99	0.01	0.24%	0.30%
	Arizona	2003	\$/lb	4.10	2.72	0.28	6.83%	10.30%
	Arizona	2003	\$/lb	4.10	2.96	0.16	3.88%	5.37%
	Alabama	2003	\$/lb	2.50	1.92	0.04	1.72%	2.24%
	Texas	2003	\$/lb	4.10	2.72	0.28	6.83%	10.30%
	N. Carolina	2003	\$/lb	2.42	1.77	0.08	3.31%	4.51%
	S. Carolina	2003	\$/lb	2.41	1.42	0.25	10.43%	17.64%
	Louisiana	2003	\$/lb	1.48	1.08	0.06	3.78%	5.21%
	Mississippi	2003	\$/lb	2.09	1.45	0.11	5.18%	7.44%
		Ave.		\$/lb	3.00	2.14	0.13	4.26%
Catfish		2002	\$/lb	0.72	0.57	0.003	0.45%	0.56%
Salmon	Alaska	2002	\$/lb	0.40	0.26	0.03	7.44%	11.41%
	Washington	2002	\$/lb	0.91	0.59	0.07	7.46%	11.45%
	Washington	2003	\$/lb	0.91	0.69	0.02	2.31%	3.06%
	Alaska	2003	\$/lb	0.40	0.26	0.03	7.69%	11.88%
		Ave.		\$/lb	0.66	0.45	0.04	6.23%
Grapes	NY,Oh,Pen	2003	\$/ton	271.72	211.25	3.06	1.13%	1.45%
	Washington	2005	\$/ton	224.00	143.00	18.10	8.08%	12.66%
	Michigan	2005	\$/ton	272.00	198.00	9.80	3.60%	4.95%
		Ave.		\$/ton	255.91	184.08	10.32	4.27%
Potato	Idaho	2003	\$/cwt	4.90	3.85	0.04	0.71%	0.91%
Snapdragon	Indiana	2005	\$/bnh	7.08	4.41	0.63	8.86%	14.22%
Olives	California	2003	\$/ton	597.55	431.71	46.33	7.75%	10.73%
Blueberries	Maine	2002	\$/lb	0.42	0.28	0.03	6.67%	10.00%
Avocado	California	2005	\$/lb	0.34	0.26	0.01	1.78%	2.33%
Lychee	Florida	2003	\$/lb	2.61	1.03	0.53	20.34%	51.46%
		2004	\$/lb	2.61	0.98	0.55	21.23%	56.53%
		Ave.		\$/lb	2.61	1.01	0.54	20.78%
Total		Ave.		87.32	62.88	5.81	6.18%	11.48%

Payment Rate (PR) = 0.50 [0.8(a)-b]

** % PR from 5-yr average = [PR/ a]*100

***% PR from Petitioned Price = [PR/ b]*100

Table 4.Ex-ante Re-computation Between Existing and Proposed Payment

Commodity	Unit Price	5-Yr Price Average (a)	Petitioned Price Average (b)	Existing Payment Rate (average)	Proposed Payment Rate *	%Change Old Rate to Proposed Rate **	% Proposed Rate to Petitioned Price***
Shrimp	\$/lb	3.00	2.14	0.13	0.48	264%	22%
Catfish	\$/lb	0.72	0.57	0.0032	0.07	1977%	12%
Salmon	\$/lb	1.86	1.35	0.03	0.27	710%	20%
Grapes	\$/ton	255.91	184.08	10.32	39.30	281%	21%
Potato	\$/cwt	4.90	3.85	0.04	0.48	1260%	12%
Snapdragon	\$/bunch	7.08	4.41	0.63	1.67	166%	38%
Olives	\$/ton	597.55	431.71	46.33	90.17	95%	21%
Blueberries	\$/lb	0.42	0.28	0.03	0.08	198%	30%
Avocado	\$/lb	0.34	0.26	0.01	0.04	542%	15%
Lychee	\$/lb	2.61	0.98	0.55	1.16	110%	119%
Total	Average	87.44	62.96	5.81	13.37	560%	31%

*Proposed rate = $0.85 * [(0.90 * a) - b]$

** % Change = $[(\text{Proposed rate} - \text{Existing rate}) / \text{Existing rate}] * 100$

*** % Proposed rate to Petitioned Price = $(\text{Proposed rate} / \text{Petitioned Price}) * 100$

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