

Jan. 4, 2006

In Settlement, Department of Labor Agrees to Provide Required Job Training to Workers Whose Jobs Were Outsourced

Lawsuit Alleged That Government Broke Law by Approving Training That Failed to Meet Statutory Requirements

WASHINGTON, D.C. – A federal judge in El Paso has entered an order ending a lawsuit filed by Spanish-speaking workers who lost their jobs in the wake of NAFTA and sued the U.S. Department of Labor (DOL) because they were not provided the vocational training promised by Congress in the Trade Act. The order provides that the federal court will enforce the parties' settlement agreement, ending three years of litigation that involved federal courts in Washington, D.C., and El Paso.

The workers' organization, the Association of Border Workers, was represented by Public Citizen and Texas RioGrande Legal Aid. A joint press conference to describe the settlement will be held at 10:30 a.m. on Friday, Jan. 6, at the Upper RioGrande Workforce Development Board Conference Room, Wells Fargo Bank Building, 221 N. Kansas, Suite 1000, El Paso.

The lawsuit stemmed from violations of the Trade Act of 1974, which created a Trade Adjustment Assistance program for workers who lose their jobs to foreign competition. Under the program, workers are supposed to receive training so they can obtain jobs that pay at least 80 percent of what they made previously. However, the DOL offered only remedial English classes for thousands of Hispanic workers even though the classes did not prepare the workers for new jobs. The DOL's own Office of Inspector General documented the waste of more than \$100 million of federal money on ineffective English classes in El Paso alone.

The suit alleged that the DOL violated the law by: (1) allowing state agencies, including the Texas Workforce Commission, to approve incomplete training; (2) allowing state agencies to renounce Congress' 80 percent wage replacement objective for Trade Act training; and (3) making on-the-job training – which the law requires as much as possible – an option that state agencies could ignore.

The settlement requires the DOL and the Texas Workforce Commission to spend \$6.5 million on job training for El Paso workers who received deficient training. This money will enable hundreds of Spanish-speaking workers to access real job training, albeit years after they should have had it.

In addition, the settlement requires policy changes nationwide. "The settlement is a significant victory because it ends all of the agency practices that the workers claimed were illegal," said Public Citizen attorney Michael Kirkpatrick. "Now all trade-dislocated workers will be given an opportunity to train for replacement jobs as Congress intended. The government is finally responding to the problem."

Under the settlement, the DOL will implement the following policies nationwide:

- The settlement explicitly recognizes that dual-language training programs – in which necessary occupational skills and English are taught in a single integrated curriculum – are most effective for workers with limited proficiency in English and should be developed even though they are more costly. Before the settlement, the government had no policy on this critical issue.
- The settlement establishes that workers have a right to make an "informed choice" among available training programs.
- The settlement requires state agencies to pursue Congress' 80 percent wage replacement goal. In the past, even though Congress set 80 percent as the wage replacement goal of

training purchased with federal money, the DOL never required state agencies to do anything to achieve this goal and allowed Texas to reject the goal.

- The settlement requires training to make each worker job-ready in a named occupation, ending the illegal practice of naming a remedial education course (i.e., “English as a Second Language”) as the occupation for which a worker is being trained.
- The settlement requires state agencies to develop on-the-job training opportunities, respecting Congress’ directive that training be provided on-the-job insofar as possible. In El Paso, on-the-job training had never been attempted in 10 years.

The original lawsuit is [available here](#).

A copy of the settlement is [available here](#).

Other documents related to the case are [available here](#).

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