



NEWS The United States Conference of Mayors

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MAYORS RELEASE NEW METRO ECONOMIES AND JOBS REPORT AT THE 72ND ANNUAL MEETING OF THE U.S. CONFERENCE OF MAYORS

Study Reveals Lower Wage Jobs with No Health Benefits

Boston, MA – Today, the U. S. Conference of Mayors released a new Metro Economies and Jobs report that analyzes the employment wage gap in addition to evaluating the impact of job gains and losses on health benefits. The report was released in Boston during the 72nd Annual Meeting of the U.S. Conference of Mayors.

The study, conducted by Global Insight, shows that across the entire economy, all new jobs created between 2004-2006 will have an average wage of 12 % less than jobs lost between 2000-2003. Additionally, the report reveals that new jobs created in the top ten job creation sectors of the economy will have a 15% lower wage compared to the ten sectors that lost the most jobs during the recent recession and jobless recovery.

Mayor James A. Garner, President of the U.S. Conference of Mayors said, "Mayors and Business CEOs must work together to find solutions for the replacement of higher paying jobs with lower paying jobs during this economic recovery."

There are three business sectors that will create the most new jobs over the next three years. They include the areas of Health Care and Social Assistance, Professional Science and Technology, and Administration and Support.

The report also calculated for the first time a **"Health Benefit Gap"** for new jobs. When comparing the health benefits of jobs lost during the recession to those of new jobs gained over the next three years, there is a **14.5% health care gap**.

That simply means that 14.5% fewer people with new jobs will have health care coverage compared to those who lost their jobs between 2000-2003.

Detroit Mayor Kwame M. Kilpatrick, Chair of the Conference's Council for Investment in the New American City said, "While we recognize that jobs are coming back, we remain concerned that we're gaining back lower paying jobs with no health benefits."

The report attributes the health care benefits gap to a major structural shift in the types of jobs the economy lost and is creating in this business cycle. During the recession the economy lost over 3 million good paying manufacturing jobs with strong health benefits, but will regain three million jobs, predominantly in the service sector, many of which are lower paying jobs with no health benefits.

"Contrary to popular belief, it is not the economy of the 50 states that drives the national economy. It is the 319 metro economies - made up of cities - that are the strength of this nation. Ultimately, lower wage jobs with no health benefits severely impact the overall economic and physical health of our nation," Kilpatrick said.

The entire report can be found on the U.S. Conference of Mayors website at usmayors.org.

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The U.S. Conference of Mayors is the official nonpartisan organization of cities with populations of 30,000 or more. There are more than 1,100 such cities in the country today. Each city is represented in the Conference by its chief elected official, the mayor. For more information on The U.S. Conference of Mayors visit the website at usmayors.org.

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