



NEWS The United States Conference of Mayors

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For Immediate Release
Wednesday, November 12, 2003

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Mayors and Business Leaders Hold Economic Summit in New York to Discuss Job Growth in the U.S. Economy Through Infrastructure Investment

Cities and Businesses Face “New Realities” in Changing Economy

Washington, D.C. – Today, The United States Conference of Mayors convened an Economic Summit in New York City with mayors and business leaders to develop long-term strategies to sustain job growth in an ever-changing economy.

Mayor James A. Garner, President of the U.S. Conference of Mayors said, “We are pleased that the economy is recovering, however, mayors and business leaders must address the “new realities” of global competition and the important role of infrastructure investment.”

These “new realities” challenge mayors and CEOs to work together to find solutions for cities with crumbling infrastructures, the replacement of higher paying jobs with lower paying jobs during this economic recovery, and the loss of professional and manufacturing jobs to international outsourcing.

As part of the overall discussion, summit attendees heard from the American Society of Civil Engineers (ASCE) concerning the declining condition of the nation’s infrastructure. ASCE documented in their *Infrastructure Progress Report for 2003* that infrastructure investments lead to significant job creation, while rebuilding America’s roads, bridges, schools, and transit systems.

Earlier this week the Conference released a new report that revealed recent growth in the U.S. economy, but with lower paying jobs.

The study, conducted by Global Insights, analyzes job loss between 2001-2003 and the expected job gain from 2004 – 2005. The average wage of new jobs created during the 2004-2005 period is forecast to be \$35,855, which is significantly lower than the \$43,629 average wage of those jobs lost between 2001-2003, resulting in a wage gap of 18%. The report also indicates that job gains would not necessarily return in the same sectors where they were lost. Many sectors have seen jobs moved overseas due to outsourcing.

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. 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. As mayors, the issue of lower wage jobs is something we must analyze, because in the long run, wages determine a person’s ability to buy a home, pay credit card bills, college tuition, and child care.”

Tom Cochran, Executive Director of the U.S. Conference of Mayors concluded, “We need the business community’s help to develop a national infrastructure plan to create quality jobs in an ever changing economy. Now more than ever, it is critical that we work together to create strong metro economies in order to remain competitive in this global workforce.”

The Economic Summit was sponsored by the U.S. Conference of Mayors and co-sponsored by the Council for Investment in the New American City and the National Urban League.

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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.

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