

# ***NEWS from the Fiscal Policy Institute***

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## **FPI report finds New York experiencing job shift from higher-paying to lower-paying industries**

New York, January 21, 2004 – Based on a report released today, the Fiscal Policy Institute (FPI) says that since the national recession ended in November of 2001, New York State has seen a pronounced shift in jobs from higher-paying to lower-paying industries. James Parrott, FPI's Deputy Director and Chief Economist, stated: "During this 'job-loss' recovery over the past two years, some industries have added jobs even while the state's total employment level has fallen. However, on average, the industries adding jobs pay wages that are \$20,500, or 38% less than the industries that continued to lose jobs."

The FPI report noted that while New York State has seen positive, but slight job growth over the past six months, the State still had 77,000 fewer net jobs in November of 2003 than in November of 2001 when the national recession was officially declared over. The FPI analysis showed that during this two-year "recovery" period, seven industries added a total of 83,300 jobs while seven other industries lost a combined total of 160,300 jobs.

But in the growing industries, the average wage was \$34,081, while in the contracting industries, the average wage was a much higher \$54,537. This wide discrepancy leads to the conclusion that the overall quality of jobs has deteriorated in the state in the past two years. FPI's Parrott stated, "If these trends persist, the continuation of middle class living standards for many New Yorkers will be jeopardized."

The report was prepared in conjunction with the Washington, D.C.-based Economic Policy Institute (EPI). EPI is releasing a companion report today that includes data on changing job quality for all 50 states. Table 2 in the FPI report summarizes this 50-state information. EPI's report can be accessed at: [http://www.epinet.org/content.cfm/webfeatures\\_snapshots](http://www.epinet.org/content.cfm/webfeatures_snapshots)

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*FPI is a nonpartisan research and education organization that focuses on the broad range of tax, budget, economic and related public policy issues that affect the quality of life and the economic well-being of New York State residents. FPI's work is intended to further the development and implementation of public policies that create a strong, sustainable economy in which prosperity is broadly shared by all New Yorkers. FPI has offices in Albany and New York City.*

FPI's website: [www.fiscalpolicy.org](http://www.fiscalpolicy.org)