

FAIR Taxes for ALL

Co-chairs: People For the American Way, American Federation of State, County & Municipal Employees, National Women's Law Center, Leadership Conference On Civil Rights, US Action, Campaign for America's Future

March 5, 2004
For Immediate Release

Contact: Peter Montgomery, People For the American Way 202-467-4999
Margot Friedman, National Women's Law Center 202-588-7619

TEPID JOB GROWTH STALLS

Tax Cuts Proving To Be Bad Medicine for Economy

The federal Bureau of Labor Statistics (BLS) reported this morning that a mere 21,000 jobs were created in the month of February. The unemployment rate held steady in February at 5.6% because more people stopped looking for work.

In addition, BLS revised downward its estimates of job growth for December and January, finding that only half of the estimated 16,000 new jobs were created in December and 15,000 fewer jobs were created in January. In fact, this downward correction for the last two months is greater than the total number of new jobs reported for the month of February. Manufacturing employment continued to be particularly weak, with 3,000 jobs lost.

“This morning’s bleak job numbers confirm the Administration’s lack of credibility on the economy. These ‘more-of-the-same’ budgets being proposed by the Administration and House and Senate GOP leadership – of tax breaks for millionaires, tax increases for working families and deep spending cuts – would be a disaster for the economy and American families” said Jeff Blum, executive director of USAction, a Fair Taxes for All co-chair organization.

The February numbers are over 100,000 jobs lower than Wall Street economists were predicting and 285,000 fewer than the Bush administration promised would be created each month as a result of its 2003 tax package.

“Wall Street and the Bush administration share the same disconnect with Main Street,” said Roger Hickey, co-director at Campaign for America’s Future, a Fair Taxes For All co-chair organization. “Apparently, the hundreds of thousands of dollars that big-shot corporate honchos have received in tax cuts the last three years have blinded them to the starkly different reality for the overwhelming majority of American workers.”

“It looks like the only thing this Administration did right on jobs in February was to back away from the President’s Council of Economic Advisor’s sunny forecast of 2.6 million new jobs in 2004,” said Chuck Loveless, legislative director for the American Federation of State, County, and Municipal Employees, a co-chair of the Fair Taxes for All coalition. “They need to spend less time spinning bad news and phony predictions and more time working to create good news for America’s working families.”