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VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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U.S. ECONOMY BOOMS IN THIRD QUARTER

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WASHINGTON, D.C. – The upward revision to the already robust economic growth in the third quarter of 2003 is welcome news, Vice Chairman Jim Saxton said today. The rate of real GDP growth in the third quarter was revised upward from 7.2 percent to 8.2 percent. In addition, a new release of consumer confidence figures for November, showing a large ten point monthly gain to 91.7 percent, supplements other data showing continued strong growth in the fourth quarter, though probably not at the unsustainable rate posted in the third quarter of the year.

“The economic statistics released today show that economic growth is robust and is recognized as such by American consumers,” Saxton said. “The 18 percent growth in overall investment as well as in equipment and software spending indicates that businesses are becoming more optimistic about future economic conditions. The evidence shows that previously enacted tax relief measures, including expanded tax incentives for investment, have worked as intended to boost economic growth.

“The National Association of Business Economics (NABE) has just released its forecast for 2004 projecting strong growth through next year. This is consistent with the Blue Chip consensus forecast, which also predicts continued healthy economic growth. An objective analysis of current economic trends suggests that the outlook for economic growth is very positive for the foreseeable future,” Saxton concluded.

For more information on current economic conditions, please visit our website at www.house.gov/jec.

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