



CONGRESS OF THE UNITED STATES
JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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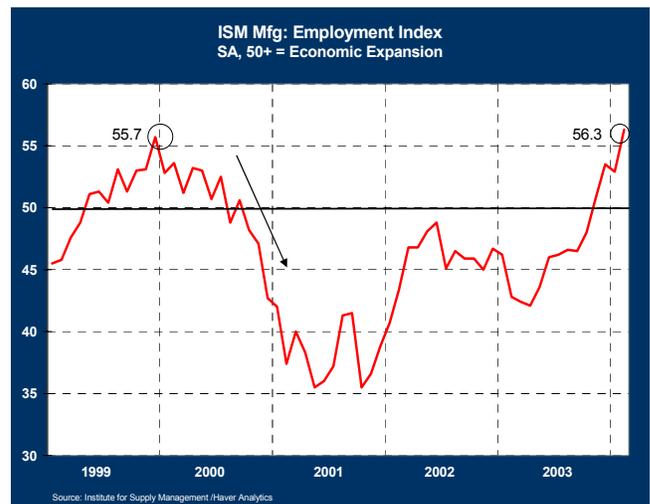
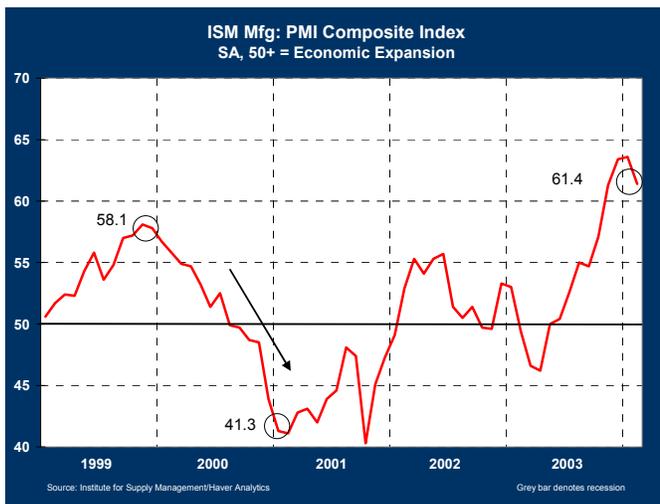
**MANUFACTURING
 ACTIVITY EXPANDS IN
 FEBRUARY**
**--Manufacturing Employment Index
 Also Gains--**

Press Release #108-103
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WASHINGTON, D.C. –New figures showing increases in February manufacturing activity released by the Institute for Supply Management (ISM) provide more evidence that the manufacturing sector expansion continues, Vice Chairman Jim Saxton said today. The ISM survey of manufacturing activity remained at a high level in February, although below the very high level posted in January. The ISM index of manufacturing employment reflected growth for the fourth month in a row. The ISM releases today are of diffusion indexes that denote expansion when index values are above 50.

“The ISM release today shows that the expansion in manufacturing remains strong,” Saxton said. “I am especially encouraged by the fourth consecutive month of growth in the manufacturing employment index. With higher levels of manufacturing activity, and a broader pattern of employment increases, it would be reasonable to expect future improvement in manufacturing conditions.

“Manufacturing activity had been in a downturn that began in 2000. After the bursting of the stock market bubble in the first quarter of 2000, there was a fall-off in investment that had a negative impact on manufacturing. With lower investment in manufactured capital goods, manufacturing output and employment had started to decline. Now that investment is growing strongly again, manufacturing activity is also on the rise,” Saxton concluded.



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