



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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U. S. ECONOMIC EXPANSION SEEN AS BROAD AND DEEP

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WASHINGTON, D.C. – The strength of the U.S. economy is documented in a new report released today by Vice Chairman Jim Saxton. The report, *Current Economic Conditions and Outlook*, examines the health of the economy using a wide variety of standard measures of output, employment, financial markets, manufacturing, housing, and inflation. Over the last three quarters, output (GDP) has grown 5.6 percent after adjustment for inflation, manufacturing has rebounded, and employment has surged.

“A wide variety of standard measures of economic activity show the U.S. economy is very strong,” Saxton said. “Overall economic growth has been robust, and is expected to be about 5 percent for all of 2004. The strength of investment in recent quarters, following the enactment of expanded investment incentives, has provided a major boost to the economy. The rebound in investment has also accelerated the expansion of the manufacturing sector.

“Since last August, 1.4 million jobs have been created. Over the last three months, the average monthly increase in payroll employment has been 316,000 jobs. It is reasonable to expect the healthy pace of job growth to continue for the remainder of the year. Objective analysts have often cited accommodative monetary policy and tax relief as two important factors contributing to the vitality of the economy.

“In recent years the flexible and dynamic U.S. economy has weathered many storms, and now it has emerged greater than ever before. As economic growth proceeds, it will continue to expand attractive employment and business opportunities for the American people. With the economy performing well, policymakers should consider measures to enhance the positive trends already underway, and avoid policies that would undermine the continued expansion,” Saxton concluded.

For a copy of the new JEC report, *Current Economic Conditions and Outlook*, please visit our website at www.house.gov/jec.

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