



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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STATEMENT OF VICE CHAIRMAN JIM SAXTON “SEPTEMBER EMPLOYMENT GROWTH”

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WASHINGTON, D.C. – Commissioner Utgoff, it is a pleasure to join in welcoming you before the committee once again.

The September employment data have been affected by the four hurricanes that pounded the U.S. in August and September. Even so, according to the payroll survey, employment increased by 96,000 jobs in September, continuing its upward trend.

Over the last 13 months, payroll employment has increased by 1.8 million jobs. Furthermore, today the BLS announced that the benchmark revision will add about 236,000 jobs to payroll employment for March of 2004. According to the household survey, the unemployment rate has been trending downward and now stands at 5.4 percent.

Other economic data continue to show healthy economic growth. Over the last four quarters, GDP growth has been 4.8 percent. A key element in the acceleration of economic growth over the last year has been the rebound in investment. Fixed business investment has risen at a rate of 11.6 percent over the last four quarters, and this has both broadened and accelerated the economic expansion.

The pivotal reason for this acceleration in investment and economic growth is the tax relief for investment enacted in 2003. Tax relief, and the low interest rates resulting from Federal Reserve policy, have made major contributions to the positive economic situation we have today. Furthermore, both the Blue Chip consensus and the Federal Reserve forecast that healthy economic growth will continue.

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