

Ryan Prepared Opening Statement
HBC Hearing -- "The Recovery Act"
July 24, 2009

- *Thank Chairman Spratt, welcome witnesses (Transportation Secretary LaHood; Interior Secretary Salazar; and Agriculture Secretary Vilsack).*
- I appreciate the opportunity for this Committee to, once again, meet on the subject of the "stimulus" bill.
- Committee hearings are a key component of Congress' fact-finding and oversight responsibilities.
- And I'll note that I am genuinely disappointed that we have not – and apparently *will* not – review in this Committee the *trillion*-dollar health care expansion currently being jammed through the House.
- But let me turn to the subject of today's hearing, and that is the "stimulus" bill.
- Prior to enactment, the Administration said that the key goal of the stimulus package was to save or create millions of jobs. They even released a report showing that stimulus would cap the rise in the unemployment rate at 8.0 percent.
- (CHART #1)
- Clearly, that hasn't happened. The unemployment rate is already at 9.5 percent -- a 25-year high -- and nearly *all* economists see it rising further to 10 percent by late this year.
- Since the stimulus was enacted, nearly 2 million jobs have been lost. The Administration continues to promise that we will see results "soon;" that we need to give the stimulus more time to work. But most experts are predicting a so-called "jobless recovery."
- And at least one member of the Federal Reserve's policymaking committee believes that the unemployment rate will linger at 10.5 percent through next year.

- But while the *benefits* of this “stimulus” have turned out to be meager and difficult to quantify, its *costs* have been large and crystal clear.
- It will add \$1 trillion to our debt. It represents merely the first component of a spending-fueled budget: a budget that will *triple* the national debt over the next decade.
- And while the Administration continues to tout its commitment to create jobs, it is formulating policies that will have the opposite effect.
- Their cap-and-trade plan will dramatically raise the cost of operating a business and push jobs overseas. And their health care plan will shackle individuals and business with new mandates and taxes as they struggle to get out of this recession. Economic growth and jobs will suffer as a result.
- Small businesses create 60 to 80 percent of the new jobs in America. But the House health care plan would result in most small businesses seeing their tax rate increase from 35 to 45 percent -- over 50 percent if you include state-level taxes.
- On Wednesday, Majority Leader Hoyer, a man for whom I have great respect, said the following on the House Floor:

"It is the private sector that drives our economy. It is the private sector that will give us wealth and that creates jobs, not the government; but the government can create policies within which the private sector and particularly venture capitalists can have the confidence that we are managing our finances responsibly."

- I couldn't agree more. But I only wish that the actual policies coming out of Congress were consistent with this sentiment.

Unemployment Rate With and Without the Recovery Plan

