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VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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PAYROLL EMPLOYMENT INCREASE IS WELCOMED --Consecutive Manufacturing Job Declines That Began in 2000 Continue --

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WASHINGTON, D.C. – The increase in September payroll employment is good news, which if sustained in coming months, may signal a turning point in labor market conditions, Vice Chairman Jim Saxton said today. Today the Bureau of Labor Statistics reported a 57,000 increase in payroll employment and a revision for the August data that exceeded market expectations. The unemployment rate was unchanged. Unfortunately, the string of manufacturing employment declines that began in the summer of 2000 continued in September, although at a slower pace.

“Given the current strong growth of the economy, it is reasonable to expect that employment growth will resume,” Saxton said. “Although one month of data does not mean that employment growth will definitely strengthen in coming months, it is an encouraging sign.

“The consecutive declines in manufacturing employment have become a matter of intense interest and controversy in recent months. It is important to recall that these consecutive declines began in the summer of 2000. Consequently, this trend cannot reasonably be attributed to President Bush or his policies.

“It is also true that manufacturing employment reached an expansion peak in 1998, and actually declined by over half a million in the last 34 months of the Clinton Administration. In making this observation I am suggesting that some of our economic problems transcend politics. Partisan assertions that the negative trend in manufacturing employment was caused by a change in administrations and policies are contradicted by the facts. It is also important to recall that manufacturing employment has trended downward for several decades,” Saxton concluded.

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