



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

CONGRESSMAN JIM SAXTON

PRESS RELEASE

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UNEMPLOYMENT RATE FALLS AND JOB GAINS CONTINUE

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WASHINGTON, D.C. – The unemployment rate declined to 5.2 percent and employment increased in January, showing continued progress in the labor market, and indicating that the 2003 tax bill has worked as intended, Congressman Jim Saxton said today. According to the Bureau of Labor Statistics, payroll employment increased by 146,000 in January, bringing total job creation over the last 20 months to 2.7 million.

In May of 2003, Congress enacted legislation providing tax incentives for investment and economic growth. Business investment in particular, previously a soft spot in the expansion, surged in the last two quarters of 2003 and through 2004, boosting overall economic growth.

“The economy is strong, and labor markets continue to improve,” Saxton said. “The January unemployment rate of 5.2 percent is quite low by recent historical standards, and below the average of the 1970s, 1980s, and 1990s. The double-digit growth of business software and equipment investment in the last several quarters has led to a better-balanced and faster economic expansion that has benefited many Americans. This improvement in recent economic conditions is largely due to the 2003 tax legislation and deft monetary policy,” Saxton concluded.

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