



Joint Economic Committee

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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SENATOR KERRY IS MISINFORMED ON MANUFACTURING JOBS

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WASHINGTON, D.C. –Senator John Kerry's claims that Bush Administration policies have caused the decline in manufacturing employment are contradicted by the fact that this trend began years before the current Administration or its policies were in place, Vice Chairman Jim Saxton said today. Manufacturing employment has trended downward for many years, but reached a recent cyclical high in March of 1998.

Data from the Bureau of Labor Statistics (BLS) show that manufacturing employment declined during 1998, 1999, and 2000. In the final month of the last Administration, manufacturing employment fell by 82,000, setting a pace that continued until last year. Between March of 1998 and January 2001, manufacturing employment had already declined by over half a million.

"The notion that everything was fine in manufacturing until the Bush Administration took office is nonsense," Saxton said. "The facts show that the manufacturing sector already was in recession before the end of 2000. Manufacturing output and especially employment were both slumping well before President Bush was inaugurated. According to the monthly report of the respected and nonpartisan Institute for Supply Management (ISM), 'Economic activity in the manufacturing sector declined in January [2001] for the sixth consecutive month.'

"The downward trend in manufacturing employment has produced hardship for the workers who have lost jobs, and their families," Saxton continued. "However, this trend was underway for many years before President Bush and his policies were in place. Presumably, even Senator Kerry would have to admit that the tax relief legislation that became law well into 2001 could not have caused a downward trend in manufacturing employment already underway for several years. The employment data show that Kerry's arguments are based on political expediency, not facts. The acceleration of economic growth has produced job growth in recent months, and this upward trend is expected to continue through the year," Saxton concluded.

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