

CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

For Immediate Release
September 29, 2004

ECONOMIC GROWTH RATE REVISED UPWARD

Press Release #108-156
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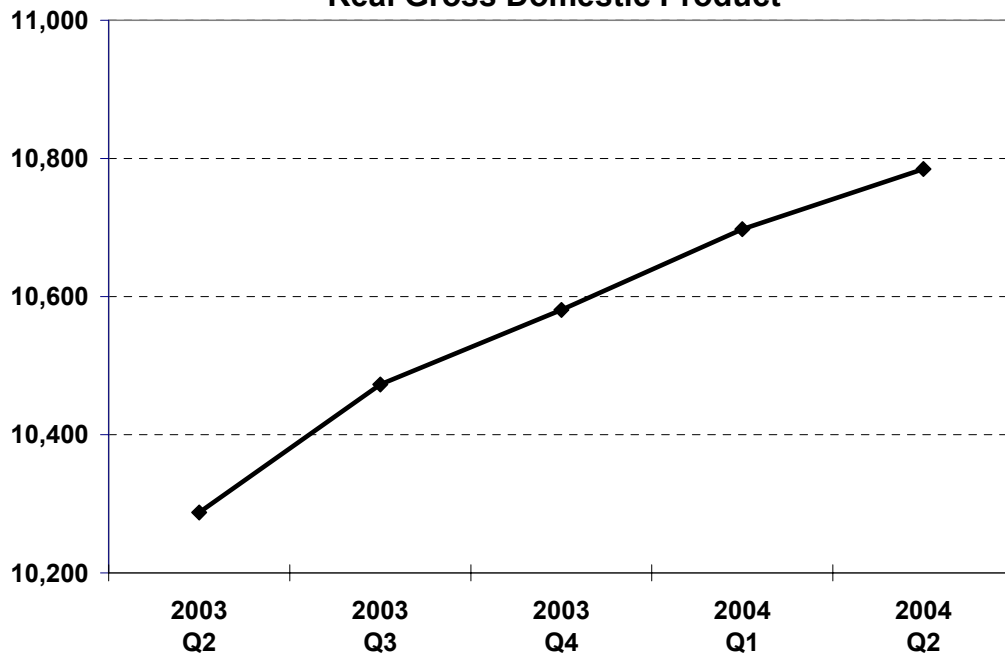
WASHINGTON, D.C. – The upward revision in the rate of economic growth to 3.3 percent in the second quarter of 2004 is another indication of the health of the U.S. economy, Vice Chairman Jim Saxton said today. Today the Commerce Department announced the upward revision in real Gross Domestic Product (GDP), the output of goods and services produced by labor and property in the U.S. The Commerce Department statistical release also showed that over the last four quarters, the U.S. economy has expanded at a rate of 4.8 percent.

The data also indicate that the strength of investment over the last year has made an important contribution to economic growth. For example, real fixed business investment climbed 11.6 percent over the last four quarters. An expansion of tax incentives for investment in 2003 spurred investment, and thereby boosted economic growth.

The improved tone of the economy is also visible in the labor markets. Over the last 12 months 1.7 million jobs have been created, and the unemployment rate stands at 5.4 percent.

“The data released today show that the economic expansion is on track,” Saxton said. “According to the Blue Chip consensus of economic forecasters, continued growth is in store for the foreseeable future,” Saxton concluded.

U.S. Economic Expansion Real Gross Domestic Product



Source: Bureau of Economic Analysis / Haver Analytics

For more information on current economic conditions, please visit our website at www.house.gov/jec

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