



JOINT ECONOMIC COMMITTEE
ROBERT F. BENNETT, CHAIRMAN

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**CHAIRMAN BENNETT:
“ECONOMY IS TURNING THE CORNER”**

Bennett Explores the Current Employment Situation at JEC Hearing

Washington, DC—Senator Bob Bennett (R-UT), chairman of the Joint Economic Committee (JEC), held a hearing today to discuss the August employment numbers with Commissioner of the Bureau of Labor Statistics (BLS) Kathleen Utgoff. Bennett discussed the state of the current economy and asked the commissioner about a seemingly significant discrepancy in the employment numbers.

“Though not widely known, employment figures come from two different surveys,” said Chairman Bennett. “The BLS surveys individual households to determine the unemployment rate, while it asks businesses about the number of people on their payrolls to determine how many jobs have been gained or lost. Congress relies on these statistics to make policy decisions, and we need to be sure we are acting on the most accurate and complete statistics available.”

According to the household survey, the number of employed people has increased by 1.4 million since the end of the recession. The payroll survey, in contrast, indicates that roughly 1.1 million jobs have been lost over that period. Some of the disparity may reflect methodological differences between the two surveys, or it may be telling us of fundamental changes in our economy. A significant difference between the two surveys is that the household survey accounts for those who are self employed and for small emerging businesses that may be overlooked by the payroll survey.

Chairman Bennett also pointed to many measures that suggest that the economy is turning the corner. Economic growth in the second quarter exceeded three percent, and many forecasters anticipate further acceleration this quarter. The unemployment rate declined slightly from 6.2 percent to 6.1 percent in August, down from its peak of 6.4 percent in June, and well below the peaks of the 1980s and early 1990s.

“I am optimistic about recent developments in our economy, and believe the economic growth that is occurring will soon translate into resumed job growth,” said Chairman Bennett.

Senator Bennett’s complete statement and charts referred to in the hearing can be viewed at <http://jec.senate.gov/hearings/hearing09052003.htm>.

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