



CONGRESS OF THE UNITED STATES

*JOINT ECONOMIC COMMITTEE*

CONGRESSMAN KEVIN BRADY

RANKING REPUBLICAN HOUSE MEMBER



NEWS RELEASE

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**STATEMENT OF  
CONGRESSMAN KEVIN BRADY**

*Employment Situation in November 2010*

**Washington, DC --** Today we hold the last regularly scheduled employment hearing with the Bureau of Labor Statistics in the 111<sup>th</sup> Congress. Like all Americans hoping for an economic turnaround, this has been a difficult two years for members of the Joint Economic Committee with employment reports month after month showing large numbers of our fellow Americans out of work and stubbornly high rates of unemployment. But the focus of this Committee on the employment situation is a critical part of its function as no other aspect of the nation's economic wellbeing is more important than the ability of our citizens to find productive work.

Dr. Hall has had the difficult task of presenting the many reports on the bleak employment conditions to us. He has done so in a professional and insightful manner. I want to thank him and his staff at the Bureau of Labor Statistics for the effort they make to compile the employment data in meaningful ways and for answering our questions. I welcome Dr. Hall again this morning.

Chairwoman Maloney has held many additional hearings on various aspects of the labor market. I want to thank the Chairwoman for her compassion and dedication in setting the Committee's agenda. We appreciate her leadership. I also want to thank Vice Chairman Schumer for his contributions to the JEC.

Senator Brownback will be leaving the U.S. Senate next year to assume his new duties as the governor of the state of Kansas. I sincerely thank him for his service as the ranking member on this committee during the 111<sup>th</sup> Congress and congratulate him on his new leadership position. All the best to you, your family, and the state of Kansas, Sam.

As we approach the end of the year and of this Congress, the national employment picture unfortunately remains bleak. The unemployment rate increased to 9.8 percent mainly due to an increase in the number of job losers. And this month's 39,000 increase in payroll employment was very disappointing given the expectations. Worse still is the fact that we have lost 101,000 payroll jobs since the recession officially ended 17 months ago.

Economic indicators generally tell us that we are making a painfully slow recovery. In November, total payroll employment was not significantly different than it was 17 months ago when the recession officially ended. Unfortunately, this recovery is too weak and private sector job growth too slow to reduce the unemployment rate appreciably, while the federal work force thrives. In contrast, by the 17<sup>th</sup> month of the Reagan recovery after the severe 1981-82 recession, total payroll employment had increased by 5.0 million, and the unemployment rate had fallen by 3.1 percentage points to 7.7 percent.

Why is the current recovery so weak? Among the timeliest explanations is this: within less than one month Americans are facing a nearly \$4 trillion tax *hike*. We cannot expect small, mid-size or even larger businesses to take on large numbers of additional employees when the government is raising the cost for employing them gainfully.

Yesterday's House vote on a bill that is dead on arrival in the Senate was a waste of time. I don't mean to be too blunt, but raising taxes on the consumers and small businesses we depend on the

most to put this economy back on track is a dumb economic move. No wonder substantial numbers of jobs aren't being created in America.

To make matters worse, within a few days the federal government will run out of money. Congressional Democrats and the Administration have not been attending to their responsibilities. A frantic rush for band-aid fixes is no way to provide guidance to the economy.

In addition to the looming increases in anti-growth tax rates, the out-of-control federal spending and the enormous national debt built-up, I have many times addressed the Democrats' ill-conceived health care and energy policies and the failed stimulus. I will not repeat those points here, but the burdens and uncertainty they create contribute to the fundamental reasons why the economy is not recovering faster.

If we are to see faster economic growth and more rapid job creation, the Administration will have to relent from wasteful, redistributionist policies and the futile attempt to compensate for them with economic pump-priming measures, be they fiscal or monetary. The government cannot take up position against business, investment, wealth creation, domestic oil, gas, and coal production, and free trade and expect the economy to grow based on minimum wage increases, extensions of unemployment benefits, and increased subsidies to a plethora of causes. The U.S. economy does not work that way, and I doubt there are any that do. The Administration has been hearing as much from national leaders around the world.

Dr. Hall, I look forward to hearing your testimony.

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