



MEMORANDUM

December 1, 2009

To: Reporters and editors
From: Dan Virkstis for Senate Finance Committee Chairman Max Baucus (D-Mont.)
Re: Congressional Budget Office Report on Recovery Act Job Creation

Senate Finance Committee Chairman Max Baucus (D-Mont.) expressed optimism today following a new report by the non-partisan Congressional Budget Office (CBO) estimating 600,000 to 1.6 million more people were employed in the United States in the third quarter of 2009 as a result of the Recovery Act provisions. The report also stated that real gross domestic product (GDP) was 1.2 percent to 3.2 percent higher than it would have been without Finance Committee provisions and Congressional action in passing the Recovery Act. The CBO analysis is based on the number of jobs saved or created since February 2009 when the legislation was signed into law, as reported by direct recipients of stimulus funds, such as grant and loan recipients, employers and subcontractors.

From Chairman Baucus:

“The rate of job loss in America has outpaced job creation for too long. But the rate of jobless claims is slowing, and this report proves our efforts to date have yielded real results. Our goal of saving or creating hundreds of thousands – even millions – of U.S. jobs is being realized. Moreover, the data outlined by CBO only represents part of the story – the number of jobs reported is only from direct recipients of stimulus funds. The report does not factor the effect of this money on secondary recipients like second-level sub-contractors that also employ workers, nor does it account for the ‘ripple’ effect of the tax help provisions, which lead to greater income for recipients and their employees, and could save or create thousands of jobs from increased demand for products and services throughout the economy,” Baucus said. **“Out-of-work Americans are hurting every day in this recession. They want to get back to work and revive this economy and they can feel confident we’re on the right course. Rest assured, the Finance Committee will continue to evaluate current stimulus programs and move forward with targeted, measurable jobs initiatives that will bolster the American workforce and create good-paying jobs.”**

The CBO report is available online at www.cbo.gov.

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