

A job seeker uses his iPad to fill out job applications last week at the Fort Lauderdale Career Fair in Dania Beach, Fla. Weekly jobless benefit applications fell last week, the government said Thursday. AP

Fewer facing unemployment

Quicker recovery blunts effect from Superstorm Sandy

By Christopher S. Rugaber
Associated Press

WASHINGTON — The number of people seeking U.S. unemployment aid fell sharply last week as a temporary spike caused by Superstorm Sandy faded. Weekly applications have fallen back to a level consistent with modest hiring.

The Labor Department said Thursday that applications dropped 25,000 last week to a seasonally adjusted 370,000.

Unemployment aid applications spiked a month ago after Sandy shuttered businesses in the Northeast. Applications jumped to 451,000 in the week ended Nov. 10. People can claim unemployment benefits if their workplaces are forced to close, and they aren't paid.

Some analysts were encouraged by how quickly applications have returned to levels from before the storm.

Pierre Ellis, an economist at Decision Economics, said the rapid drop suggests companies are quickly rehiring workers displaced by the storm. Rebuilding and repair efforts could also be creating jobs, he said.

The early impact of Sandy can still be seen in the four-week average. It rose to 408,000 last week.

Before the storm hit Oct. 29, applications had fluctuated this year between 360,000 and 390,000. They topped 400,000 for most of last year. That has coincided with only modest declines in the jobless rate.

The storm is also likely to depress November's job figures, which the government will report Friday. And fears about looming tax increases and spending cuts, known as the "fiscal cliff," might have also dragged on job gains last month.

JOBLESS AID TOTAL

The number of people continuing to receive unemployment aid dropped almost 225,000 to just under 5 million in the week ended Nov. 17, the latest data available.