Sluggish economy



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Jobless aid applications tick up to 308,000

Even with that, the four-week average hits its lowest mark since May 2007

By Christopher S. Rugaber
Associated Press

WASHINGTON — The number of Americans seeking unemployment benefits rose just 1,000 last week to a seasonally adjusted 308,000, hovering near six-year lows. The tiny increase suggests companies are still cutting very few jobs.

The less volatile four-week average for applications fell to 305,000, the Labor Department said Thursday. That's the lowest since May 2007, seven months before the recession began.

Weekly applications could increase next week because of the partial government shutdown. Defense contractors and other companies that do business with the government may temporarily lay off workers. Federal workers who are temporarily laid off may also file for benefits, though their numbers are reported separately and published a week later than the other applications.

Still, the broader trend has been encouraging. Applications, which are a proxy for layoffs, have fallen steadily in the past three months as many companies have stopped laying off workers. That suggests more employers are confident enough in the economy to maintain their existing staffs.

Steady declines in applications are typically followed by more hiring. But that hasn't happened. Instead, job gains have slowed in recent months.

Employers have added an average of 155,000 jobs a month in the four months through August, according to government data. That's down from an average of 205,000 for the first four months of the year.

On Wednesday, payroll provider ADP said that businesses added 166,000 jobs in September, evidence that hiring remains sluggish. The ADP figures usually diverge from the Labor Department's more comprehensive monthly employment report, which was scheduled to be released Friday. That report will now be delayed until the government shutdown ends.

JOB DATA FOR SEPTEMBER

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