Nation's jobless rate falls to 5.8%

Labor market shows 'solid and consistent gains'

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U.S. employers created 214,000 more jobs in October, extending the nation's longest stretch of solid job gains since the mid-1990s to nine straight months.

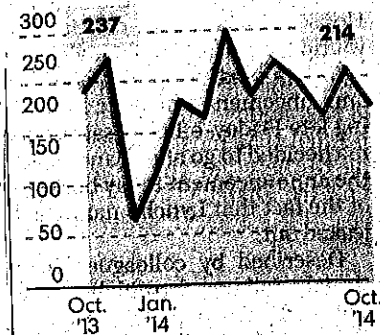
The positive showing that the Labor Department reported Friday was tempered by continued sluggish wage gains and the outsize role of low-paying industries in employment growth.

The jobless rate fell from 5.9% to 5.8%, lowest since July 2008, and close to the 5.5% the Federal Reserve considers normal.

The economy has added at least 200,000 jobs from February through October — a nine-month record of consistency unmatched since a 19-month string ended in March 1995. Monthly job growth has averaged 229,000 this year, up from 194,000 in 2013.

JOBS ON RISE

The U.S. economy has added an average 229,000 jobs a month this year. Seasonally adjusted change from previous month, in thousands:



Source Bureau of Labor Statistics from Haver Analytics
BOB LAIRD, USA TODAY

"The labor market is showing remarkably solid and consistent gains," RDQ Economics wrote in a note to clients.

But hourly earnings rose just 3 cents to $24.57 in October and are up just 2% over the past year, in line with the modest increases so far in the five-year-old recovery. Economists have been looking for a pickup in wage gains to spur more consumer spending.

Focus on wages
The nation needs a raise, **5B**

Paul Ashworth of Capital Economics says the monthly measure may not reflect building wage pressures, noting that other earnings indicators are showing faster growth.

Another concern is that the job gains continued to be led by low-paying industries, such as restaurants and retail, with a recent surge in sectors such as finance and insurance moderating.

"The quality of net new jobs skewed toward less skilled, lower-paying jobs," says Sophia Koropeckyj of Moody's Analytics.

Government hiring also slowed to 5,000, but the public sector had been shedding jobs until recently. Businesses added 209,000 jobs.

Among other positive signs, job gains for August and September were revised up by a total 31,000.

The average workweek rose to 34.6 hours from 34.5 hours, which could foreshadow continued strong hiring.