Report shows hiring gains

It's a sign hiring could be rebounding after a disappointing spring

By Martin Crutsinger
Associated Press

WASHINGTON — The number of Americans applying for unemployment benefits edged up slightly last week but remained at a level consistent with modest gains in hiring.

Unemployment benefit applications rose by 2,000 to a seasonally adjusted 366,000, the Labor Department said. The less volatile four-week average fell by 5,500 to 363,750. That was the lowest level since late March.

Applications have trended lower in the past two months, indicating that companies are laying off fewer workers and that hiring is picking up. When applications fall consistently below 375,000, it generally suggests hiring is strong enough to lower the unemployment rate.

"Claims so far in August have declined moderately compared to July, suggesting some improvement in the U.S. job environment. And that's good news," said Jennifer Lee, senior economist at BMO Capital Markets.

The total number of people receiving some kind of unemployment assistance also fell, dipping to 5.68 million for the week ending July 28 — 70,000 below the previous week.

Employers added 163,000 jobs in July, the most since February. Job gains averaged only 73,000 jobs a month from April through June.