US economy adds 146K jobs, rate falls to 7.7 pct.

BY CHRISTOPHER S. RUGABER
ASSOCIATED PRESS

WASHINGTON — The pace of U.S. hiring remained steady in November despite disruptions from Superstorm Sandy and employers' concerns about impending tax increases from the year-end "fiscal cliff."

Companies added 146,000 jobs, and the unemployment rate fell to 7.7 percent — the lowest in nearly four years — from 7.9 percent in October. The rate declined mainly because more people stopped looking for work and weren't counted as unemployed.

The government said Superstorm Sandy had only a minimal effect on the figures.

The Labor Department's report Friday was a mixed one. But on balance, it suggested that the job market is gradually improving.

November's job gains were roughly the same as the average monthly increase this year of about 150,000. Most economists are encouraged by the job growth because it's occurred even as companies have reduced investment in heavy machinery and other equipment.

"The good news is not that the labor market is improving rapidly — it isn't — but that employment growth is holding up despite all the fears over the fiscal cliff," said Nigel Gault, an economist at IHS Global Insight.

Still, Friday's report included some discouraging signs. Employers added 49,000 fewer jobs in October and September combined than the government had initially estimated.

And economists noted that the unemployment rate would have risen if the number of people working or looking for work hadn't dropped by 350,000.

The government asks about 60,000 households each month whether the adults have jobs and whether those who don't are looking for one. Those without a job who are looking for one are counted as unemployed. Those who aren't looking aren't counted as unemployed.