BUSINESS

Unemployment aid claims fall

Jobless applications' decline signals fewer layoffs and steady job growth

By Josh Boak
Associated Press

WASHINGTON — The number of Americans seeking unemployment benefits fell 15,000 last week to a seasonally adjusted 330,000, signaling fewer layoffs and steady job growth.

The Labor Department said Thursday that the less volatile four-week average dropped 9,750 to 349,000.

A Labor spokesman said there was no indication that snow and freezing weather around much of the country caused the drop in applications.

Applications are a proxy for layoffs. They appear to have stabilized near pre-recession levels after a period of volatility around the Thanksgiving and Christmas holidays. That suggests recent job gains will continue.

"The underlying trend is encouraging and supports the view that job creation is picking up momentum," said Jennifer Lee, a senior economist at BMO Capital Markets.

Outplacement firm Challenger, Gray & Christmas said in a separate report that the number of announced job cuts fell 3 percent last year to 509,051. That's the fewest layoffs reported by the firm since 1997.

The decline in layoffs has coincided with stronger hiring. Employers have added an average of 200,000 jobs a month from August through November. That has helped lower the unemployment rate to a five-year low of 7 percent.

The government will release the December jobs report Friday.

MORTGAGE RATES STEADY

» Average rates for fixed mortgages barely changed this week, hovering near historically low levels.
» Mortgage buyer Freddie Mac said Thursday that the average for the 30-year loan slipped to 4.51 percent from 4.53 percent last week. The average for the 15-year loan edged up to 3.56 percent from 3.55 percent.