

Unemployment claims at 352,000, fewest since 2008

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WASHINGTON — The number of people seeking unemployment benefits plummeted last week to 352,000, the fewest since April 2008. The decline added to evidence that the job market is strengthening.

Applications fell 50,000, the biggest drop in the seasonally adjusted figure in more than six years, the Labor Department said Thursday. The four-week average, which smooths out fluctuations, dropped to 379,000. That's the second-lowest such figure in more than three years.

A department spokesman cautioned that volatility at this time of year is common. Applications had jumped two weeks ago, largely because companies laid off thousands of temporary workers hired for the holidays.

Still, when weekly



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Mei Chou, left, a sales director with Mary Kay Cosmetics, interviews Liza Cruz on Wednesday at a Career Fair event in San Francisco. The number of people seeking unemployment benefits plummeted last week to the lowest level since April 2008, an optimistic sign that the recovery in the job market is picking up.

applications fall consistently below 375,000, it usually signals that hiring is strong enough to push down the unemployment rate.

"This continues a clear downshift in claims," said Ian Shepherdson, an economist at High Frequency Economics.

Shepherdson suggested that stronger hiring should follow.

Hiring improved in the second half of 2011. In December, employers added 200,000 jobs. That marked the sixth straight month in which the economy added at least 100,000 jobs. And the unemployment rate fell to 8.5 percent, a three-

year low.

For all of 2011, the economy added 1.6 million jobs. That was up sharply from 940,000 in 2010.

Economists say they expect roughly 1.9 million more jobs to be added this year, according to a survey by The Associated Press.

Still, the job market has a long way to go before it fully recovers from the damage of the Great Recession, which wiped out 8.7 million jobs. More than 13 million people remain unemployed. Millions more have given up looking for work and so are no longer counted as unemployed.

The overall number of people receiving benefits, which isn't seasonally adjusted, rose. More than 7.8 million people received benefits in the final week of last year. They include about 3.6 million people covered by extended-benefit programs begun during the recession.