Unemployment falls in 37 states

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WASHINGTON — A majority of states saw their unemployment rates drop in May. But the widespread declines were mainly because people gave up work searches and were no longer counted.

The Labor Department said Friday that the unemployment rate fell in 37 states and the District of Columbia. Six states had increases and seven saw no change.

Forty-one states and the District of Columbia saw a net increase in jobs. But that reflected national data showing a huge gain because of government hiring of temporary census workers.

Nevada rose to the highest jobless rate in the country, marking the first time in more than four years that Michigan did not hold that distinction. Nevada's rate climbed to 14 percent. Michigan's fell to 13.6 percent.

Of those states that saw job increases, the gains were led by the big states. Texas saw a rise of 43,600, California was up 28,300 and New York had an increase of 21,000 jobs.

Nationally, the unemployment rate dropped to 9.7 percent in May from 9.9 percent in April. But the drop was largely because hundreds of thousands of jobless people stopped searching for work.

A total of 431,000 new jobs were added across the country in May, the biggest gain in a decade. Still, the surge came from 411,000 temporary census jobs. Private-sector job growth slowed significantly.

Nevada's jobless rate rose from 13.7 percent in April. That state has been hurt by the collapse in housing and a downturn in tourism.

Unemployment in Michigan, a state hurt by the troubles in the auto industry, fell from 14 percent in April. Michigan had had the highest monthly unemployment rate in the country since April 2006.

By region, the West reported the highest regional jobless rate at 10.9 percent, unchanged from April. The Northeast had the lowest rate at 8.9 percent, also the same as the previous month.

Unemployment in the South stood at 9.4 percent in May, down from 9.6 percent in April.

The unemployment numbers came just 24 hours after the Labor Department reported that the number of people filing new claims for jobless benefits jumped last week after three straight declines, another sign that the pace of layoffs has not slowed.

