

A LOOK AT THE 404,000 UNEMPLOYMENT CLAIMS



Americans that filed unemployment claims for benefits did not change much last week, which shows that the market is not making much progress. Applications for jobless claim benefits decreased to 404,000 down from 405,000 claims forecasted by economists. Although United States employers hired a larger number of workers than estimated during September, a larger number of layoffs decreases the hope from those numbers. Congress' blocking the advancement of President Obama's job plan bill also provides no hope that there will be any quick development in jobs anytime soon. Economists predict that first-time claims will continue to hover around the 390,000 to 415,000. **A Look at September Payrolls** The September figures by the Labor Department eased the recession fears rooted in many Americans. Payrolls throughout the nation increased 103,000 after a 57,000 gain during the month of August, which was originally reported as no change. However, despite the ease of many minds, some Federal Reserve workers doubt that growth will continue. These officials feel that the economy should keep asset purchases on the back burner as a second option, just in case. Europe's debt crisis has added to the slowing of the economy. Wall Street will possibly shed 10,000 jobs before the end of next year. Likewise, the security industry will layoff over 4,000 people. So, while the increase in September may seem optimistic, there are reasons to remain skeptical about the unemployment situation. **Obama's Job Plan Blocked** On October 10, Congress voted to block the \$447 billion jobs plan that President Obama instituted. The bill included new funding for bridges, roads and other infrastructures throughout the nation, and cuts in payroll taxes for employers and workers. During the vote, two from the Democratic party joined the minority of Republicans. This prevented the bill from going forward. President Obama showed his disapproval for Congress' decision by stating, "Tonight's vote is by no means the end of this fight... members of Congress can either explain to their constituents why they're against commonsense, bipartisan proposals to create jobs, or they can listen to the overwhelming majority of American people who are crying out for action." Regardless of the president's disapproval, the jobs plan show several weak spots. As Congress and the President continue to work closely on the job crisis, these weaknesses can become stronger. **A Decline in Averages** In more optimistic news, averages in several categories continue to fall. The moving average of initial unemployment claims for benefits has fallen from 415,000 to 408,000. This is the lowest it has been in two months. People who claimed unemployment benefits during the last week of September dropped to 3.67 million, a 55,000 decrease in claim benefits. People that are eligible for jobless benefits fell 2.9% during the last week of September from 3%. These declining averages show a glimmer of hope in a rather dim situation.