

## EMPLOYMENT INCREASE AND THE JOBLESS RATE



During the month of November, employment managed to increase more than originally predicted. The jobless rate also declined. It was non-farm employment that managed to increase by a large percentage, with a total of 146,000 jobs added during the month of November. The outcome of the number of jobs available was better than expected, especially because of the super storm Sandy, which took place in October, according to Fox Business. Even so, the number of jobs added during the months of September and October were not as high as originally predicted. The actual amount was off by around 49,000 jobs. The jobless rate also managed to drop to 7.7 during last month, which is the lowest that it has been since December of 2008. It is believed that the decline in the jobless rate occurred because of the fact that people have been giving up on looking for work. In the meantime, the good news was that the storm, which ended up damaging the East Coast, did not have such a terrible effect on the employment numbers. John Galvin, who works with the Bureau of Labor Statistics, has said, "Our analysis leads us to conclude that Hurricane Sandy did not substantively impact the national employment and unemployment estimates for November." Most economists believed that the payroll would increase by around 93,000, with the unemployment rate remaining at 7.9 percent. The reason employment continues to stay at a standstill is partly due to the fact that many employers are afraid that the government is not going to be able to avoid the automatic tax hikes that will occur at the beginning of the New Year. Another reason for the lack of hiring is because of the debt crisis, which is taking place in Europe. A chief economist, Lewis Alexander, has said, "Once Washington policymakers resolve the near-term fiscal and other policy challenges that have undermined business confidence, we expect the pace of recovery, and job growth to begin to accelerate next year." In the private sector, several jobs were available in different areas, including retail employment and professional and business services. Temporary hiring also managed to jump by a total of 18,000 positions available, which is typically due to the holiday season. Employment within the manufacturing sector managed to decline by about 7,000. The number of jobs within the construction sector also dropped. However, the amount of earnings on an hourly basis managed to increase for employees by about 4 cents. A chief economist, Julia Coronado, has said, "Much greater strength in hiring is required over a longer period to deliver stabilization in wage growth."