

UNEMPLOYMENT STATISTICS GET WORSE



You may remember earlier in this month when we reported some good news about the unemployment statistics. For those of you who did not [catch the coverage](#) here is an excerpt: "According to a statement put out by the US government the total number of people who were seeking benefits for unemployment have dropped significantly. The levels are currently at the lowest that they have been since April of 2008. The report attached to the statement also said that they are expecting that employers will be ready to hire in a big way when the New Year has passed. While they would not peg a specific number to the growth the government expects that the numbers will be noticeably higher than the growth over the last summer. The summer growth was estimated to be at an annual rate of about 1.8 percent. The current quarter is expected to look better." Well as it turns out they may have been a little bit premature. It looks like the new data is actually showing that things are going in a worse direction, at least in the short term. Instead of getting better for the end of the year as they had hoped things are actually looking worse. According to a newly released data the number of people who have filed a claim for unemployment benefits has actually risen. It is important to note that while this is the first increase in the past four weeks, and the three weeks before there was a significant decline, this growth in claims is not encouraging. The number of weekly applications has increased by about 15,000 to a seasonally adjusted number of 381,000, according to information released by the Labor Department on Thursday. Though as you may recall the four week numbers for unemployment claims are generally seen to be a more stable measure of the economy, and due to the three weeks prior they are still looking very good. It is also important to see that this is not a loss on the whole. The number of the claims seems to have kept level with the modest amount of hiring that is actually going on right now. There is also still hope that the numbers will decline again after the New Year comes at the end of this week. On expert, Michael Gapen, who is an economist at Barclays Capital, told the following to a reporter for [Business Week](#) the following about the situation, "Despite the rise in the weekly claims data, the longer-term trend ... suggests that the recovery in the labor market is maintaining its momentum," There are a few things that need to be considered, on the whole economists often remind that the numbers presented during the holidays can be somewhat volatile and because in this week all of the people who were hired for the pre-holiday rush as seasonal employees are being let go. Data for seven of the states in this report were estimated. Two of the states that were estimated include both Virginia and California, both of which did not have data available because of the holiday.

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