

Search

NewsMax.com

Web

Powered by 

Applications for Unemployment Up by 4,000

MoneyNews

Thursday, Sept. 13, 2007

WASHINGTON -- The number of laid off workers filing claims for unemployment benefits rose last week in another worrisome sign that the labor market is weakening.

The Labor Department reported Thursday that new claims for unemployment benefits rose by 4,000 last week to 319,000. It marked the sixth increase in the past seven weeks and was a further sign that the economy is feeling the impact of a steep slump in housing and a spreading credit crisis.

The government reported last week that employers cut 4,000 jobs from payrolls in August, the first monthly job decline in four years.

The net decline in payroll jobs in August came as a surprise. Analysts had been expecting an increase of 110,000 jobs, in line with growth this year. In other bad news, the number of jobs created in June and July was trimmed by 81,000, indicating the labor market was not performing as well as had been thought.

The surprisingly bad report increased worries that the current economic recovery, now in its sixth year, could be in danger of falling into a recession.

There are widespread expectations in financial markets that the Federal Reserve will cut a key interest rate when policymakers meet next Tuesday. Last month, the Fed signaled it had changed its outlook from seeing inflation as the biggest threat to the economy to now believing that weak growth represents a bigger threat.

The increase of 4,000 jobless claims on a seasonally adjusted basis followed a decline of 22,000 in claims applications in the previous week. The increase came in the week that included the Labor Day

TOP NEWS

- [Four Major Banks Borrow From Fed](#)
- [Banks' Problem Mortgages Up 36 Percent](#)
- [Mortgage Crisis Widens at Lenders, Banks](#)
- [FDIC Keeping Close Eyes on Markets, Banks](#)

Related Stories

- [Greenspan: Didn't Grasp Subprime Dilemma](#)
- [Southern California Home Sales Sink to 15-Year Low](#)
- [Applications for Unemployment Up by 4,000](#)
- [Fed Gains 'Wiggle Room' on Rate Decision](#)

TOOLS

-  [Print Friendly Version](#)
 [Forward this Page](#)
 [E-mail NewsMax](#)
 [RSS Feed](#)

holiday, meaning that unemployment offices had one less day to process claims.

The number of unemployed Americans receiving jobless benefits totaled 2.585 million for the week ending Sept. 1, a drop of 6,000 from the previous week.

For the week of Sept. 1, the two states with the biggest increases in jobless applications were Texas, up 1,529, and Kentucky, up 1,080. The increase in Texas was attributed to higher layoffs in public administration, services, finance and manufacturing while the rise in Kentucky was attributed on higher manufacturing layoffs.

States with the biggest declines in jobless applications were New York, down 1,573; South Carolina, down 1,519, and California, down 1,336. The state data is not adjusted for seasonal variations.

© 2007 Associated Press. All Rights Reserved. This material may not be published, broadcast, rewritten or redistributed.

Editor's note:

- [The 99 stocks you need to dump in 2007 . . . and the 10 to buy! Get our free report today.](#)
- [Big Government Lies Exposed. Go Here Now.](#)
- [12 Ways to Recession Proof Your Portfolio](#)

[Home](#)

[MoneyNews Archives](#)

[Special Reports](#)

[Shop](#)

[Contact Us](#)

[RSS](#)

© 2007 NewsMax Media Inc.
All Rights Reserved