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PROXY FOR U.S. LAYOFFS REMAINS LOW

Weekly unemployment figure has remained below 300,000 for about three years, the longest streak since 1970s

By Josh Mitchell
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The number of Americans laid off from their jobs rose slightly last week but remained near multidecade lows, fresh evidence of the labor market's strength.

About 229,000 Americans filed for unemployment benefits, known as initial jobless claims, in the week ended March 17, the Labor Department said Thursday. That was 3,000 above the prior week's level and higher than economists' expectations of 225,000 new claims.

But layoffs remain near the lowest level since the 1970s. They have held below 300,000 for about three years, the longest streak since the 1970s, when the U.S. population was much smaller. The four-week moving average of claims, considered a more-reliable estimate because it reduces volatility in the data, climbed slightly to 223,750.

"Adjusted for population growth, that's the lowest since [the] start of the weekly series in 1948," Ian Shepherdson, chief economist at Pantheon Macroeconomics, said in a note to clients. "Clearly, firms aren't firing people without a very good reason, presumably because it's so hard to replace them later."

The low level of claims is among multiple signs that the U.S. labor market is or close to growing at an optimal level. The unemployment rate has held at 4.1 percent since October, the lowest since late 2000. Employers created a robust 313,000 jobs in February. Wages are rising modestly.

The job market's strength, along with modest but rising inflation pressures, led Fed policy makers to raise a benchmark interest rate this week.

Thursdays report showed the number of claims workers made for longer than a week fell 57,000 to 1,828,000 in the week ended March 10. That figure, known as continuing claims, is reported with a one-week lag.