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U.S. WEEKLY JOBLESS CLAIMS HOLD BELOW 300,000 FOR LONGEST STREAK ON RECORD

Continuing claims by those out of work longer than a week rose 53,000 in the week ended March 31

By Sarah Chaney
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The number of Americans claiming new unemployment benefits has never been so low for so long.

Initial jobless claims, a proxy for layoffs across the U.S., decreased by 9,000 to a seasonally adjusted 233,000 in the week ended April 7, the Labor Department said Thursday. This means claims have now held below 300,000 for 162 consecutive weeks, cementing the longest streak for weekly records dating back to 1967.

The current streak eclipsed the previous longest stretch that ended in April 1970.

The consistently low claims levels point to labor market health because they mean relatively few Americans are losing their jobs and applying for benefits to tide them over until they can find new employment.

After several years of consistent job growth, firms are reluctant to let employees go in a tightening labor market in which many available workers are quickly snapped up.

“Even if you aren’t aggressively hiring, if you know the labor market is tight and it’s going to be difficult to hire someone...you’re only going to lay someone off if you had to,” said Stephen Stanley, chief economist at Amherst Pierpont Securities.

Data on jobless claims can be volatile from week to week, especially around holidays when seasonal adjustments can be tricky.

“The changing date of the Easter holiday from year to year makes the seasonal adjustment process tricky from late March through late April, so further volatility in headline claims over the next few weeks can’t be ruled out,” wrote Ian Shepherdson, chief economist at Pantheon Macroeconomics, in a note to clients.

The four-week moving average of initial claims, a more-stable measure, increased last week to 230,000.

The low level of claims is among multiple signs of health in the U.S. labor market. The unemployment rate has held at 4.1 percent since October, its lowest level since late 2000. Employers have added to nonfarm payrolls for 90 straight months in the longest continuous jobs expansion on record.

Thursday's report showed the number of claims workers made for longer than a week increased by 53,000 to 1,871,000 in the week ended March 31. That figure, known as continuing claims, is reported with a one-week lag.