



Initial jobless claims fall nationally for fourth straight week, Illinois' rise

by [Frank Kalman](#)
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Initial jobless claims have fluctuated so far in 2010 before reaching a consistent four-week dribble. Historical data courtesy of Bloomberg LP.

The number of Americans filing initial claims for unemployment benefits last week fell for the fourth straight week, as employers tepidly hired workers in a slowly recovering economy. The Illinois employment picture continues to lag, however, as weekly claims for the state rose in the week ended May 8.

The advance seasonally adjusted number of initial claims was 444,000 for the week ended May 8, the U.S. Department of Labor said Thursday, down 4,000 from the previous week's revised figure, but slightly higher than economists surveyed by Bloomberg LP were expecting.

The four-week-moving average was 450,500, down 9,000 from the average reported the week ended May 1.

The Illinois Department of Employment Security report was less encouraging, as initial claims widened to 14,911 for the week ended May 8, up 5 percent from the previous week's 14,260.

"It will take some time; I think you're going to see some recovery this year," said Rob Wilson, president of Employco USA Inc., a human resource outsourcing firm based in Westmont. "I think you're going to see [Illinois] job numbers increase this year, but the big question is going to be: How long is that going to take?"

The four-week-moving average for Illinois was 14,132 for last week, down 4 percent from the figure reported for the week ended May 1.

The downward movement in jobless claims is a dramatic improvement from the year-earlier period on both fronts, when claims at the national level were 625,000, while Illinois reported 24,299.

Despite the progress, Ernest Goss, professor of economics at Creighton University in Omaha, Neb., said initial claims should be even lower at this point in the business cycle. "Those are too high," he said, adding that, in his view, companies are continuing layoffs in an effort to improve productivity. Industries such as construction and warehousing are still cutting workers, while manufacturing and aircraft companies, including Chicago-based Boeing Co., are adding workers as the economy expands.

"It's not encouraging to see that companies are still laying off," Goss said, estimating that claims should have been closer to 400,000.

He expects initial jobless claims, including the four-week-moving average, to continue to fall as summer moves along. Goss also said the unemployment rate will remain high because previously discouraged workers and college graduates will enter the work force, actively seeking employment. The government doesn't classify "discouraged workers" as unemployed, so their reentry pushes up the number of "unemployed" workers.

The national unemployment rate remained at nearly 10 percent in April, according to the National Bureau of Labor Statistics. Illinois' unemployment rate in March stood at 11.5 percent.

"I think the unemployment rate peaked," Goss said, though he acknowledges the figure could see some small upward movement before year end.