

# Jobless rate in U.S. ticks up slightly in July

Still, hiring topped 200,000 workers for sixth straight month.

By Thomas Gnau  
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For six months in a row, American employers have added more than 200,000 workers each month.

Total nonfarm payroll employment in the United States rose by 209,000 in July, but the unemployment rate ticked up to 6.2 percent from 6.1 percent in June — in part because more people launched job searches, the U.S. Bureau of Labor Statistics said Friday.

With six straight months of hiring more than 200,000 workers, it's the first time the nation has seen that trend since 1997.

James Brock, a Miami Uni-

versity economics professor, said the report is good news.

"The big picture is that we continue to recover," Brock said. "The economy continues to recover. Labor market conditions continue to improve."

The data is also significant in light of what the Federal Reserve bank may do, Brock said. There has been debate in recent weeks about whether the Federal Reserve should raise interest rates or more quickly dial back its purchases of Treasury bonds and mortgage-backed securities.

Earlier this week, the Federal Reserve cut its bond purchase program from \$35 billion to \$25 billion for August.

The concern among some has been that, with the economy getting stronger, perhaps the Fed would cut

back its stimulus program more radically. The revised figure for jobs added nationally in June was 298,000.

"The hiring was good, but not as good as what was expected," Brock said of July's report.

So perhaps the Fed won't alter its stimulus program more quickly — a prospect Wall Street evidently embraces, he said.

"If you follow that, that's what passes for sense on Wall Street," Brock said. "Which does not pass for sense anywhere else."

Sophia Koropecykj, an economist for Moody's Analytics, said there was "a good reason" for the jobless rate to rise: More people are looking for a job.

"I think this means that the economy has gained traction, and the labor market has gained traction this year, and we're seeing sustained growth," Koropecykj said.

What the nation needs at "a minimum" is about 120,000 new jobs a month, she said. The current hiring pace is healthy, she believes.

"Both the unemployment rate (6.2 percent) and the number of unemployed persons (9.7 mil-

lion) changed little in July," the Bureau of Labor Statistics said. "Over the past 12 months, the unemployment rate and the number of unemployed persons have declined by 1.1 percentage points and 1.7 million, respectively."

Recent economic news appears to be stronger. This week, the Commerce Department said gross domestic product grew in the second quarter at a seasonally adjusted annual rate of 4 percent, well above the dismal 2.1 percent decline reported a quarter earlier.

Still, the "U-6" unemployment rate edged up slightly in July from 12.1 percent to 12.2 percent. That rate counts jobless people seeking full-time jobs as well as "marginally attached workers and those working part-time for economic reasons." The number includes people who have given up looking for a job.

The number of long-term unemployed (those without jobs for 27 weeks or more) was basically unchanged at 3.2 million in July, the bureau said. These people accounted for 32.9 percent of the unemployed. Over the past 12 months, the number of long-term unemployed has declined by 1.1 million, the BLS said.