

# First-time jobless claims rise unexpectedly

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WASHINGTON -- The number of newly laid-off workers filing initial claims for jobless benefits rose unexpectedly last week, evidence that layoffs are continuing and jobs remain scarce.

The rise is the fourth in the past five weeks. Most economists hoped that claims would resume a downward trend that was evident in the fall and early winter.

The Labor Department said Thursday that new claims for unemployment insurance rose by 8,000 to a seasonally adjusted 480,000. Wall Street economists had expected a drop to 460,000, according to Thomson Reuters.

The four-week average, which smooths fluctuations, rose for the third straight week to 468,750.

The figure is the highest in the past two months. Initial claims dropped sharply in late December, raising hopes among economists that layoffs were nearing an end and the economy would soon start generating net gains in jobs.

The figures come a day before the Labor Department is scheduled to report the January employment figures, which are expected to show a tiny gain in jobs. The unemployment rate is forecast to rise to 10.1 percent.

The number of people continuing to claim benefits was unchanged at 4.6 million. That data lags initial claims by a week.

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But the so-called continuing claims do not include millions of people who have used up the regular 26 weeks of benefits typically provided by states, and are receiving extended benefits for up to 73 additional weeks, paid for by the federal government.

More than 5.8 million people were receiving extended benefits in the week ended Jan. 16, the latest data available, up from about 5.6 million the previous week. The extended benefit data isn't seasonally adjusted and is volatile from week to week.

Still, the increasing number of people claiming extended unemployment insurance indicates hiring hasn't picked up. That leaves people out of work for longer and longer periods of time.

Some employers are continuing to cut jobs. [Wal-Mart Stores Inc.](#) said Wednesday that it will eliminate 300 administrative jobs at its headquarters. The company has cut almost 14,000 jobs in the past 13 months, including 11,200 positions at its Sam's Club stores.

Sony Pictures Entertainment Inc., a unit of Japan's [Sony Corp.](#), said Tuesday it is laying off 450 people and eliminating 100 open positions.

Among the states, Oregon reported the largest increase in claims, with 4,336. Puerto Rico and Hawaii also reported increases. The state data lags initial claims by one week.

California reported the largest drop in claims, a decline of 22,674. Michigan, North Carolina, Georgia and Missouri also reported decreases.