

## Mass. unemployment rate falls to 8.8% from a high of 9.3%

By Jim Kinney

December 17, 2009, 4:15PM

*This is a 4:15 p.m. update of a story posted at 12:47 this afternoon.*

SPRINGFIELD – Unemployment in Massachusetts fell last month to 8.8 percent from 8.9 percent in October, its second consecutive monthly drop, according to figures released Thursday.

The state had an unemployment rate of 9.3 percent in September.

“What’s happening here is that we are at the very beginning of starting to see a string of positive news,” said Robert A. Nakosteen, a professor of statistics and economics at the University of Massachusetts Amherst’s Isenberg School of Management. “Let’s see if we can string together a few more months of good news.”



Robert A. Nakosteen

The national unemployment rate was 10 percent in November, down from 10.2 percent in October.

The state plans to release unemployment statistics for individual cities and towns Tuesday.

There are still 240,000 Massachusetts residents on unemployment and they’ve been on unemployment an average of 19 weeks, said state Secretary of Labor and Workforce Development Nancy L. Snyder. There are 3.1 million jobs in the state, down 82,700 jobs or 2.5 percent, from one year ago.

“It’s still a sluggish recovery,” Snyder said in a telephone interview.

Thursday, the U.S. Department of Labor announced that the number of new jobless claims rose to 480,000 last week, up 7,000 from the previous week.

Snyder said there was a similar pattern here in Massachusetts with 11,491 new jobless claims in the week of Dec. 5 and 11,597 in the week ending Dec. 12.

On the positive side, the education, health and education sectors of the state’s economy added 3,100 jobs in November. Professional, scientific and business services, a category that includes temporary workers, added 1,200 jobs in the state.

Manufacturing, a sector battered by the recession, added 900 jobs in the state in November, Snyder said. Manufacturing jobs in the state are down 5.5 percent, or 15,600 jobs, from 266,400 jobs a year ago.

“This state might just have the right mix of manufacturers in high-tech and precision machining, pharmaceuticals and medical devices,” she said.

Nakosteen said manufacturing might have also increased because companies drastically cut their inventory soon after the recession hit.

“Business people were terrorized by the precipitous of the drop,” he said. “They really thought sales were never going to come back.”

Those cuts left companies with nothing to sell, though. So they had to hire to replenish their warehouses.

Construction added 200 jobs, the sector's second consecutive monthly job gain. But at 108,800 jobs, construction has lost 17,900 jobs or 14.1 percent from a year ago.

© 2009 masslive.com. All rights reserved.