Bob Andres/Atlanta Journal-Constitution

Kanockwa Horton, left, from Stone Mountain, and Jacqueline Merritt, from Atlanta, stand first in line at the Airport Community Job Fair, in Atlanta, joined by hundreds of other applicants in line before the 10 a.m. opening in October. Today, the Labor Department issued its jobs report for October.

US workers gain jobs, raises in final pre-election report

By CHRISTOPHER S. RUGABER
AP Economics Writer

WASHINGTON — Workers enjoyed their best pay raises in seven years last month as employers added 161,000 jobs, the government said in the last major snapshot of a slow but durable economy before Americans choose a new president next week.

Today's report sketched a picture of a resilient job market that likely keeps the Federal Reserve on track to raise interest rates when it meets next month. Yet the economy remains pocketed by weaknesses that have left many feeling left behind on the eve of Election Day. Job gains have been steady, but pay raises have only recently become widespread. And millions of Americans are working part time but would prefer full-time work.

In October, the unemployment rate dipped to 4.9 percent from 5 percent, and the government said employers added more jobs in August and September than it had previously estimated.

An alternative gauge of joblessness that counts not only the officially unemployed but also the part-timers who'd prefer full-time work and people who have stopped looking for jobs, fell to 9.5 percent. That's the lowest point since 2008. Still, it is higher than is typical in a healthy economy.

Pay rises

Average hourly pay took a big step up in October, rising 10 cents an hour to an average of $25.92. That is 2.8 percent higher than a year ago and is the sharpest 12-month rise in seven years.

"If you wanted to show that the economy is still getting better for the typical voter, this report gives you what you needed," said Jed Kolko, chief economist with Indeed, the job site.

The pickup in pay follows a substantial increase last year in earnings for the typical household. The economy appears to be finally delivering widespread raises after years of sluggish pay gains. With the unemployment rate hovering around healthy levels, businesses are likely having to try harder to attract workers.

When businesses are forced to offer higher pay, they may raise prices to cover the costs, potentially boosting inflation. That dynamic has helped make a Fed rate hike likely in mid-December.

"The only remaining obstacle to the Fed hiking in December would be a significant adverse financial market reaction to the US presidential election," Chris Williamson, an economist at IHS Markit, wrote in a research note.

Today's report said employers added 44,000 more jobs in August and September combined than it had earlier estimated. That put recent hiring in line with this year's solid if less-than-robust pace. In September, it had appeared that hiring was slowing.

Fewer teens

Fewer teenagers worked or were looking for work last month. That trend reduce the proportion of Americans in the workforce, which is defined as people who either have a job or are actively seeking one.

But Americans in their prime working years — ages 25 through 54 — extended a recent trend of returning to work, perhaps drawn by rising pay. More than 78 percent of people in that age bracket now have jobs, the highest proportion since November 2008, in the midst of the Great Recession. Still, that's down from 80 percent before the downturn.

Despite last month's progress, the economy is growing at the slowest pace of any in a recovery since World War II. Growth picked up to a 2.9 percent annual rate in the July-September quarter, the government has estimated, much faster than the 1.1 percent pace for the first half of the year.

But most analysts foresee only modest expansion in the October-December quarter, leaving growth at an anemic rate of about 1.8 percent for all of 2016.

Hiring in October was led by professional and business services, a category that includes mostly higher-paying jobs in engineering, accounting and information technology. Those companies added 43,000 jobs, followed by health care providers, which gained 39,100.

Yet many companies are shedding workers. Manufacturers cut jobs last month, as did retailers despite October being the month where stores usually ramp up for holiday shopping. Both are factors that could weigh on economic growth this year.

"It's not a uniformly positive report," said Jason Schenker, president of Prestige Economics. "There is some patchiness to it."

WORLD IN BRIEF

Associated Press

Annual US fall ritual of turning back clocks by 1 hour

WASHINGTON — Get ready for the annual fall ritual of turning back your clocks by one hour, and relish that extra hour of sleep this weekend.

Daylight saving time is ending and it's back to standard time for most people in the United States.

The change comes at 2 a.m. local time Sunday, and the shift moves one hour of daylight to the morning from the evening.

Residents of Hawaii, most of Arizona and some U.S. territories don't need to fiddle with their clocks because those places don't observe daylight saving time. Europe made the change last weekend.

Daylight saving time returns at 2 a.m. local time on March 12.

Clinton derides Trump's fitness; he disparages her honesty

JACKSONVILLE, Fla. — While Hillary Clinton accuses Donald Trump of appealing to hatred, the Republican nominee predicts that never-ending investigations will prevent his Democratic opponent from governing effectively.

With polls showing Trump closing in on Clinton in key battleground states, her campaign is rushing to shore up support in Michigan and other long-standing Democratic strongholds. Her shrunken lead gives Trump's campaign a glimmer of hope, one he's trying to broaden into a breakthrough before time runs out.

That means zeroing in on questions of Clinton's trustworthiness and a new FBI review of an aide's emails. The attack is aimed at appealing to moderate Republicans and independents who have been the holdouts of his campaign, turned off by his behavior but equally repelled by the possible return to Washington of Clinton and her husband, former President Bill Clinton.

"Here we go again with the Clintons — you remember the impeachment and the problems," Trump said Thursday at a rally in Jacksonville. "That's not what we need in our country, folks. We need someone who is ready to go to work."

Clinton told her supporters that Trump was unique for a major-party candidate in presidential politics, a nominee whose temperament and disparaging comments about women and minorities make him unfit for office.

Judge: No evidence of voter intimidation from Trump workers

PHOENIX — A federal judge in Las Vegas says he hasn't seen evidence that Donald Trump's campaign is training people to intimidate voters in Nevada.

U.S. District Judge Richard Boulware said Thursday that he doesn't expect to issue a restraining order that Democrats sought ahead of Tuesday's election.

But Boulware said he won't issue a final ruling until a hearing this afternoon about whether another defendant, Roger Stone Jr., and his group called "Stop the Steal" are encouraging what Democrats call "vigilante voter intimidation."

Similar claims have been made in lawsuits filed in Ohio, Pennsylvania and Arizona.

At a four-hour proceeding in Phoenix on Thursday, Stone's attorney said Democrats have not produced evidence that his client or "Stop the Steal" is intimidating voters.

DOC doing away with standard terms to describe inmates

SEATTLE — The state Department of Corrections is changing the language it uses to describe Washington's nearly 19,000 people behind bars.

KOMO-TV reports that corrections Secretary Richard Morgan sent a memo to staff saying those serving time in prison will no longer be referred to as prisoners, offenders or convicts. Instead, they will be called students if they are in some type of class and patients if they are in the prison infirmary. Spokesman Jeremy Barclay says if no other moniker applies, they will be identified as incarcerated persons.