

WASHINGTON (AP)

The nation's unemployment rate rose from 7.8 per cent to 7.9 per cent in October, the government reported today, providing fresh evidence that the economic slowdown is continuing.

The unemployment rate is one of the economic indicators President-elect Jimmy Carter is watching as he considers whether to propose a tax cut after taking office in January. He told a news conference Thursday night that a tax cut for average wage earners "could be a strong possibility if there is no change in the rate of growth of the economy and if economic indicators should show a negative aspect."

The October jobless figure matched the unemployment rate in August and prompted the Labor Department to describe the labor market as essentially unchanged for the past three months.

But because the labor force is constantly growing, the unemployment rate alone can mask the actual number of persons affected by the indicator.

The number of persons

unemployed in October was 7.6 million, the most since

7.7 million were out of work in December.

Employment, which has been growing even as the

unemployment rate rose from 7.3 per cent to 7.9 per cent this summer, has now declined for two consecutive months to 87.8 million. And that's the smallest number of people at work since 87.7

million persons held jobs in May.

Other recent economic reports show an economic slowdown.

The slowdown has already

been reflected in an increase in the layoff rate in manufacturing last month.