

Fewer Job Openings Posted In August

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WASHINGTON (AP) — U.S. employers advertised fewer jobs in August than the previous month. Some may have pulled back on hiring plans in the face of wild stock market swings and renewed recession fears.

Companies and governments posted 3.1 million job openings in August, down from 3.2 million in July, the Labor Department said Wednesday.

The drop was the first in four months, although July's openings were the highest in nearly three years.

Still, there's heavy competition for each job. Nearly 14 million people were out of work in August, which means an average of 4.6 unemployed workers competed for each opening. That's worse than July, when the ratio was 4.3. In a healthy economy, the ratio is roughly 2 to 1.

Total openings are well above the 2.1 million that were available in July 2009, which was one month after the recession officially ended. But they are far below the 4.4 million jobs advertised in December 2007, when the recession began.

The downshift in job postings partly reflects the increasing ability of companies to quickly adjust their hiring plans if the economy sours.

"As soon as companies hear talk of a 'soft patch,' they hit the pause button on hiring," said Jeff Joerres, chief executive of ManpowerGroup, the world's largest staffing agency.

Such caution also means employers are filling jobs more slowly. In the past year, openings have risen 6.8 percent, while actual hiring has increased only 3.3 percent.

"The heightened financial and economic uncertainty may lead businesses to downsize their original hiring intentions and hold off on hiring," said Henry Mo, an economist at Credit Suisse, in a note to clients.

Employers are also getting pickier, economists say, and are holding out for better-qualified candidates. And they may not be offering enough pay to prospective employees.

Some companies in high-skill industries, such as information technology and advanced manufacturing, say they are having trouble finding qualified candidates.

Martyn Christian, chief marketing officer for software developer Kofax, said his company currently has 50 job openings in the U.S. and overseas. The firm wants to boost its 1,000 person work force about 10 percent over the next year.

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Still, he's having trouble finding software developers, marketers and salespeople. Filling a job can take as long as three months, he said.

"I'm surprised at how challenging it is, given the level of unemployment, to get the right skill set match," he said.

August was a weak month for overall hiring. Employers added only 57,000 net jobs that month, about half the total added in July.

Some companies may have delayed hiring plans after the economy flashed signs of trouble and seemed to be more at risk of falling into another recession.

The government said the economy barely grew in the first six months of the year, and consumer confidence fell to a two-year low. The White House and Congress fought over raising the nation's borrowing limit, Standard & Poor's downgraded long-term U.S. government debt and Europe's debt crisis intensified. Stock markets plunged in response.

On the positive side, the turmoil didn't boost job cuts. Employers laid off 1.66 million people in August, the Labor Department's report said. That's down from nearly 1.7 million in July.

Hiring picked up a bit in September; the economy added 103,000 net jobs, the government said last week.

That was enough to ease fears the economy is about to fall into another recession. But it wasn't enough to lower the unemployment rate, which stayed at 9.1 percent for a third straight month.

The Labor Department's report illustrates the churn that takes place in the job market each month. Companies hired just over 4 million people in August while 3.97 million quit or were laid off. The difference between the two figures is similar to the net job gain of 57,000 that the government reported for August.

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