

Employers Posted More Job Openings In February

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WASHINGTON (AP) — Employers posted slightly more job openings in February, suggesting that modest hiring gains will continue in coming months.

The Labor Department said Tuesday that employers advertised 3.5 million job openings in February. That's up from a revised 3.48 million in January but still below the three-year high of 3.54 million in December.

The fact that job openings remained steady in February suggests that the disappointing March jobs report issued last week could be a temporary bump. It usually takes one to three months for employers to fill openings.

Employers added 120,000 jobs in March — half the average from the previous three months. The unemployment rate fell from 8.3 percent to 8.2 percent in March, though that was mostly because people gave up looking for work. People who are out of work but not looking for jobs aren't counted among the unemployed.

Many economists downplayed the weak March figures, noting that a warmer winter may have led to some earlier hiring in January and February.

Tuesday's report "is another indication that the weather was the main factor last month and the underlying labor market is on reasonably firm ground," said Alan Levenson, chief economist at T. Rowe Price. "The payroll gain in April will be better than the one in March."

There is still heavy competition for each available opening. With 12.8 million people unemployed, there are on average 3.7 people out of work for each open position. That's much better than the nearly 7-to-1 ratio that existed in July 2009, just after the recession ended. But it's worse than the 2-to-1 ratio that is more common in a healthy economy.

Tuesday's report, known as the Job Openings and Labor Turnover survey, or JOLTs, showed that more people quit their jobs and companies stepped up hiring in February.

More quits are a good sign because most people quit in order to move to a new job. Rising quits suggest workers are finding more opportunities in the job market.

Overall hiring also improved. The JOLTs report measures gross job gains, while the monthly jobs reports are net figures that are calculated after subtracting layoffs and quits.

Nearly 4.4 million people were hired in February, the most in nearly two years.

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The slowdown in job gains in March raises questions about whether recent improvements in the job market will continue.

Economists attributed much of the slowdown to unseasonably warm weather in January and February. That caused construction companies and other employers to hire workers earlier in the year, pulling forward jobs that would have otherwise been created in March.

The monthly employment figures are also volatile and economists cautioned that the job figures could rebound when April's report is issued in early May. Many noted that the economy added an average of 212,000 jobs per month in the January-March quarter.

That's a healthy pace that, if sustained, would slowly but steadily reduce the ranks of the unemployed and lower the unemployment rate.

At the same time, March's figures could be a sign that hiring is weakening. Federal Reserve Chairman Ben Bernanke has pointed out that the economy isn't growing quickly enough to sustain the strong hiring that was reported from December to February.

Wages are barely keeping pace with inflation. That limits the ability of consumers to boost spending, the leading source of economic growth. Inflation-adjusted wages fell 1 percent in February compared to a year ago.

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