

# Job openings up sharply in January to 2.7M

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Job openings rose sharply earlier this year, evidence that employers are slowly ramping up hiring as the economy improves.

The number of openings in January rose about 7.6 percent, to 2.7 million, compared with December, the Labor Department said. That's the highest total since February 2009.

The report is a sign that the economy is soon likely to generate consistent job gains. Some economists expect employers to add up to a net 300,000 jobs in March, though as many as a third of them could be temporary hiring for the 2010 Census.

Hiring is critical to sustaining the economic recovery because job growth boosts incomes and helps restore the confidence needed to drive consumer spending. A gradual increase in net hiring would help prevent the recovery from fizzling.

There are now about 5.5 unemployed people, on average, competing for each opening. That's still far more than the 1.7 people who were competing for each opening when the recession began. But it's down from just over 6 people per opening in December 2009.

Economists were encouraged by the report but cautioned that hiring will likely increase only slowly this year.

"It's getting better, though not as quickly as you'd like," said Dan Greenhaus, chief economic strategist at Miller Tabak.

The economy has lost 8.4 million jobs since the recession began, the largest drop since the 1930s. The jobless rate was unchanged last month at 9.7 percent. Most economists expect the rate to remain elevated for several years.

The transition to job growth "is an important step in the expansion," Nigel Gault, chief U.S. economist at IHS Global Insight, wrote in a note to clients. "It will not change the story that this will be a subdued recovery ... but will reduce the odds of a relapse."

The gradually brightening jobs picture corresponds to what many job search Web sites are reporting. The Monster employment index, a measure of online postings by the job board Monster.com, rose 2 percent in February compared with the previous year. That was the first year-over-year increase since December 2007, when the recession began, the company said.

Indeed.com, which aggregates job listings from thousands of online career boards and individual company sites, is also seeing improvement. The company said last

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week that 10 of the 12 industries it tracks posted more job openings in February than they did a year ago.

"We have seen a sharp turnaround in the job market in the last few months," said Paul Forster, CEO of Indeed.com.

Management consulting firm Accenture PLC plans to hire 50,000 employees worldwide by the end of August, according to spokesman Alex Pachetti. More than 7,000 of those jobs, including technology and consulting positions, will be in the United States, he said.

The Labor Department's Job Openings and Labor Turnover Survey illustrates the heavy job turnover that occurs even in a sluggish economy. Employers hired about 4.08 million people in January, the report said. At the same time, 4.12 million people were fired or otherwise left their jobs.

Job openings are down sharply from pre-recession levels. There were nearly 4.4 million available positions in December 2007, the government said, compared with the 2.7 million openings in January.

Most of the January job gains were concentrated in education and health care, the report said. Job openings in those industries rose 72,000, or 13 percent. Hotels and restaurants also saw gains, with an increase of 28,000 openings, or 13.5 percent.

Forster noted that job gains in the hospitality and retail industries signal growing confidence in the recovery, because those sectors depend on consumer spending. Among the 12 industries that Indeed.com tracks, those two saw the biggest gains in job postings last month, he said.

Job openings in information technology are also rising. Scot Melland, CEO of Dice Holdings, said postings on its Dice.com job board for IT professionals rose 7 percent as of March 1 compared with a year ago.

"We're not seeing a huge rebound," Melland said. "What we're seeing is a nice steady increase in recruiting activity."

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