

Nation's payrolls grow in February

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U.S. employers added 262,000 jobs in February, a level of growth matching the boom times of the late 1990s.

But economists cautioned Friday not to get too excited, even though most had been predicting last month's job increase would be closer to 225,000.

The February figure "is sterling, but we won't see 12 of those in a row," said David Scott, an economist at the University of Central Florida.

The average monthly increase in U.S. employment for the past three months — a more accurate measure of the situation, according to Scott — is 183,000 jobs. That's nearly identical to the monthly average for all of last year.

The February report is "a strong, middle-ground performance," he said. "The economy is not hot or scorch-

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ing."

Then again, it's much more robust than it was a year ago, Scott said, when the three-month average was less than 100,000 jobs a month.

The nationwide unemployment rate was 5.4 percent in February — a slight uptick from January's 5.2 percent. One reason for that: The improving job market is attracting more unemployed people to search for jobs, and only those unemployed who are actively looking for work are counted as jobless in the government's survey of U.S. households.

Scott noted that the unemployment rate is still low by historical standards and essentially unchanged. The government's monthly employment and unemployment numbers are seasonally adjusted, he explained, and January requires more adjusting than any other month because so many workers are usually laid off after the holiday shopping season.

Richard Yamarone, an economist with Argus Research in New York, agreed that February's job growth was not sustainable. He attributed most of the jobs to businesses replacing workers who had either retired or quit.

"I can't see how the economy can create 260,000 jobs [a month] from here on out," he said, citing economic hurdles that include high oil prices, skyrocketing health-care costs and higher interest rates. "The fact of the matter remains, businesses are reluctant to hire at an accelerated pace."

Yamarone, like Scott, thinks the February job report indicates a moderately strong U.S. economy for 2005. He expects at least one sector — construction — to be anything but moderate, however: "Everywhere in the nation, and especially the Southeast, will benefit for the remainder of this year from remodeling, renovating and rebuilding," he said.

The government's February report singled out several sectors that did particularly well. Construction added 30,000

jobs nationwide, manufacturing added 20,000 jobs, retailers added 30,000 jobs.

"We have the most salespeople on our floor since the family first opened the store 25 years ago," said Michael Sloan, co-owner of Sloan Brothers Furniture in Longwood.

"We're seeing a definite growth in consumer confidence in purchasing large-ticket items," Sloan said, with a bigger staff needed to accommodate the increasing number of customers. Right now he's looking for another full-time sales associate and a part-time administrative staffer; that would add up to 17 employees, not including Sloan and his brother — their biggest staff ever.

UCF's Scott said that, although jobs and unemployment data for Florida and the Orlando area won't be released for another week, he expects they will be upbeat. Orlando's job-growth rate for the past year has been 2.3 percent — significantly higher than the national rate of 1.8 percent.

The national February numbers are "an uplifting report for Orlando commerce and Orlando households," Scott said. "We hope we see more like it."