Jobs report: Spring bloom?

Solid 175K despite the winter blitz

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Spring will deliver a strong pickup in the labor market, some economists forecast after the government's February jobs report Friday solidly beat most expectations.

"Our feeling is that there is still a significant 'catch-up' payroll report lurking out there in the spring," said RDQ Economics in a note to clients.

Despite a cold and stormy February, employers added 175,000 jobs last month, topping analysts' median estimate of 157,000. Business payrolls increased by 162,000 jobs and governments added 13,000.

The jobless rate rose to 6.7% from 6.6% as 264,000 Americans entered or returned to the labor force, including those who had given up looking for jobs.

Economists who cite frigid temperatures and snowstorms as big factors in the payroll total note that an unusually large number of Americans said weather kept them from working at least part of the week that Labor conducted its jobs survey.

"It would have been a 200,000-plus (payroll gain) without the weather effects," says Jim O'Sullivan, chief U.S. economist of High Frequency Economics.

He expects a bounce-back in coming months as new surveys capture workers who recently stayed home because of weather and hiring picks up after being deferred during snowstorms.

February's job gains, he predicts, will persuade the Federal Reserve to continue to pare its bond-buying stimulus program at its March 18-19 meeting despite other recent weak data.

MORE NEW JOBS

Change in non-farm payroll jobs compared with the previous month, seasonally adjusted, in thousands:



Source: Bureau of Labor Statistics from Haver Analytics
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