

## BUSINESS

# More CEOs plan to up hiring

Economic outlook is brighter, after three good months of job growth

By Christopher S. Rugaber

The Associated Press

WASHINGTON — A growing number of chief executives at large U.S. companies say they are more optimistic about the economy and plan to step up hiring. The brighter view from the boardroom comes after the best three months of job growth in two years.

The Business Roundtable said Wednesday that a survey of its CEO members found that 42 percent

expect to hire over the next six months. That's up from 35 percent three months ago.

Nearly half plan to spend more on machinery and other capital equipment and more than 80 percent expect their sales to rise. Both those figures are much higher than three months ago.

The chief executives' overall outlook on the economy improved sharply from the end of last year. The group's outlook index jumped to 96.9 in the January-March quarter.

That's up from 77.9 in previous quarter and the highest since last spring.

The group is an association of the leaders of the 200 biggest U.S. companies.

The fourth quarter survey's finding that only 35 percent of CEOs planned to add jobs was the lowest in 5 quarters. Yet the next three months saw the biggest job gains in two years.

The economy has added an average of 245,000 jobs per month since December. That has lowered the unemployment rate to 8.3 percent, the lowest in three years.

It suggests that most of the gains came from

smaller companies, rather than the large corporations that make up the Roundtable's membership.

Research shows that small and particularly new businesses create most of the new jobs in the United States. Businesses with fewer than 500 employees account for about 65 percent of jobs created in the past 20 years.

The improvement in the CEO survey suggests the job gains "will continue," said Jim McNerney, chairman of the Roundtable and CEO of Boeing Co.

But plenty of concerns remain, he said. Europe's

debt crisis could weigh on the U.S. recovery. Growth has slowed in China. And oil prices have spiked since the fall, driving gas prices back up to their highest level in nearly a year.

America's chief executives were nearly as confident in the economy last spring before trouble with Europe's economy and elevated energy prices lowered their outlook.

The index's current reading is the best since it was at 109.9 in the April-June quarter.

The CEOs also boosted their forecast for economic growth to 2.3 percent this year.