BR area continues to add jobs

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The Baton Rouge area continued to add new jobs to the economy in February, extending its streak of above-average job growth, the state Department of Labor reported Monday.

The number of new jobs rose 4.4 percent for February compared with the same month a year earlier, preliminary figures show.

"Baton Rouge had very good numbers, among the best in the state," said Loren Scott, chairman of the LSU economics department.

The area's workforce totalled 260,300 in February, an increase of 11,400 jobs from a year earlier.

Most of those new jobs—9,000—were in the service sector of the economy, which includes transportation, communications and utilities; wholesale and retail trade; financial services and real estate; services; and government.

Scott said many of the area's new jobs are due to the introduction of riverboat gambling.

"Think about that—we have added two riverboats and a new hospital (Baton Rouge General's Bluebonnet center)," Scott said. "A combination of those things certainly was an important factor in that growth spurt."

The state's economy also continued to grow through February.

The state added 9,400 jobs in the 12 months ending in February, a 5.6 percent increase. The state's workforce stood at 1,775,700 in February.

The growth rate remains unusually high for the state," Scott said.

The growth rate did slow from January, when it was 6.2 percent. That was expected, Scott said.

The job growth rate is still rivalling the heady days in the 1970s and 1980s. For example, the figures in those years are in some ways much better, Scott said.

"You find every sector of the economy is growing, our expansion is not single-sector driven," Scott said.

Even if the state cuts spending in health care to absorb shortfalls in Medicaid funding, the possible lay-offs in the health-care industry would not be such a drastic jolt to the economy since other sectors are also growing.

"We would still grow because other sectors are picking up the slack," Scott said.

The service-producing side of the economy produced the largest job gains.

Transportation and utilities added 5,200 jobs. Wholesale and retail trade gained 2,200 jobs. Financial services and real estate added 1,900 jobs. Services increased 30,300 jobs. Government employment rose by 11,700.

Jobs at eating and drinking places, which comes under retail trade, were up 8,000, nearly half of all the new retail jobs.

Scott said those jobs are on the rise because more people are working and prospering and eating out more often.

"Restaurant meals are very sensitive to business cycles, since we are in an upsing, that sector is doing well," Scott said.

Also, the baby boom generation, many of whom fell between 35 and 54, is traditionally the age group that spends the most money eating out.

Since there are so many more baby boomers than previous generations, businesses targeting baby boomers are thriving, Scott said.

The goods-producing portion of the economy added only 16,600 jobs. Mining accounted for 3,000 new jobs. Another 5,300 were in construction. Manufacturing produced 7,400 more jobs from a year ago.

The Baton Rouge unemployment rate was 6.1 percent in February. The state unemployment rate in February was 6.8 percent, an increase of 0.1 percent from January.

The national jobless rate in February was 5.4 percent, down from 5.7 percent in January.