

Maryland's employers added 5,900 jobs last month, but the state's unemployment rate held steady at a seasonally adjusted 7.4 percent.

It was the first October expansion of employment rolls since 2007, according to the state Department of Labor, Licensing and Regulation. The jobless rate in September was also adjusted downward from a preliminary level of 7.5 percent to 7.4 percent.

Gov. Martin O'Malley called the jobs report "another positive sign for families and business in our state."

"Since January, as many other states have struggled to come through this national recession, Maryland employers have added 40,600 jobs to the payrolls," O'Malley said.

The national unemployment rate was 9.6 percent in October.

Maryland has been one of 13 jurisdictions experiencing significant job growth over the last year, adding 28,400 jobs since last October, according to the U.S. Department of Labor. Many of the 13 are clustered in the Mid-Atlantic and Northeast, including Virginia, Pennsylvania, Washington, D.C., and New Hampshire.

Virginia has added 33,000 jobs over that period and posted a 6.9 percent jobless rate in October.

Anirban Basu, chairman and CEO of Sage Policy Group, an economic consulting firm in Baltimore, said the region, and particularly Maryland, have been protected from the worst of the recession by highly educated residents and investments by the federal government.

The improving employment picture, coupled with increased consumer spending and growing

corporate earnings, are reasons for optimism, he said.

“There are still some serious headwinds,” Basu said, referring to the corporate real estate and housing markets. “But for the most part, we’re on the mend.”

The largest factor in Maryland’s job growth in October was a strong showing from the retail sector, which added 4,100 jobs in the month. It was the sector’s first September to October growth since 2006, according to the DLLR.

Patrick Donoho, president of the Maryland Retailers Association, said the hiring wasn’t surprising as stores added employees for the holiday shopping season.

“The last couple of years have been just awful for the retail world. They’re the canaries in the coal mine,” he said. “But they’re starting to see people come back in the stores, so they’re going to start to hire people.”

Donoho said consumers’ budgets — more robust than last year, but tighter than pre-recession seasons — could stretch the holiday shopping season more than it has in the past.

“They know what their budget has to be for the coming holiday,” he said. “So they start shopping, crossing people’s names off their lists earlier because they have to budget their money.”

The state labor department attributed the 2,000 new jobs in administrative and support services to a growth in temp agencies, and said the 2,100 positions filled at colleges and universities could be due to hiring by institutions that received grants. The health care sector also added 2,200 jobs.

Hotels and restaurants saw the largest decline in employment in October, shedding 3,500 jobs. Mining and construction firms cut payrolls by 1,900 positions.

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