

# August 2022

## JOB CUTS REPORT

### LABOR MARKET DATA REMAINS STRONG. JOB CUTS FALL 21% IN AUGUST FROM JULY, UP 30% FROM AUGUST 2021

**CHICAGO, September 1, 2022** – U.S.-based employers announced 20,485 cuts in August, a 21% decrease from the 25,810 cuts announced one month prior. It is 30% higher than the 15,723 cuts announced in the same month last year, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

August marks the fourth time this year that cuts were higher in 2022 than in the corresponding month a year earlier.

So far this year, employers announced plans to cut 179,506 jobs, down 27% from the 247,326 cuts announced in the first eight months of 2021. It is the lowest recorded January-August total since Challenger began tracking monthly job cut announcements in 1993\*.

“Employment data continue to point to a strong labor market. Job openings are high, layoffs are low, and workers seem to have slowed their resignations. If a recession is imminent, it’s not yet reflected in the labor data,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

The Technology sector led all industries in August with 5,081, nearly a quarter of all cuts announced during the month. Technology companies have announced 14,408 cuts so far this year, up 70% from the 8,479 cuts announced through the same period last year.

Meanwhile, cuts in the Financial Technology (Fintech) sector have increased 765% over last year, from 563 through August 2021 to 4,870 cuts through the same time this year.

The Automotive sector leads all industries this year with 28,701, a 232% increase from the 8,639 cuts announced in the sector through August 2021.

“Auto makers are pivoting to more eco-friendly options as demand increases, while recent legislation has reinforced these changes will occur even more quickly,” said Challenger.

Indeed, the Inflation Reduction Act includes a \$7,500 tax incentive for new electric vehicles and \$4,000 for used. Meanwhile, the California Air Resources Board voted to outlaw new sales of gas-powered cars and light trucks by 2035.

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Health Care/Products, which includes hospitals, providers, and health care products manufacturers, has announced 21,292 cuts this year, up 31% from the 16,263 cuts announced in this sector in the same time last year.

The majority of cuts this year (41,948) were due to “cost-cutting” while 32,705 were due to plant, unit, or store closings. Another 27,178 cuts were attributed to market conditions. This year, 10,465 cuts were due to employees refusal to take the vaccine, all of which occurred in the first quarter of the year.

Employers announced plans to hire 41,985 workers in August, up 65% from the 25,506 announced hiring plans in July. It is down 55% from the 94,004 announced in August 2021. So far this year, employers announced plans to hire 783,074 workers, an 18% increase from the 664,074 plans announced during the same period last year.

*\*From 1989-1992, an outside newsletter tracked job cut announcements.*

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**Table 1: EXECUTIVE SUMMARY  
TOP FIVE INDUSTRIES  
Year To Date**

	<b>2022</b>	<b>2021</b>
<b>Automotive</b>	28,701	8,639
<b>Health Care/Products</b>	21,292	16,263
<b>Technology</b>	14,408	8,479
<b>Services</b>	13,691	20,826
<b>Financial</b>	13,118	8,003

**MONTH BY MONTH TOTALS**

	<b>2022</b>	<b>2021</b>
<b>January</b>	19,064	79,552
<b>February</b>	15,245	34,531
<b>March</b>	21,387	30,603
<b>April</b>	24,286	22,913
<b>May</b>	20,712	24,586
<b>June</b>	32,517	20,476
<b>July</b>	25,810	18,942
<b>August</b>	20,485	15,723
<b>September</b>		17,895
<b>October</b>		22,822
<b>November</b>		14,875
<b>December</b>		19,052
<b>TOTAL</b>	<b>179,506</b>	<b>321,970</b>

Some reductions are identified by employers as workers who will take early retirement offers or other special considerations to leave the company.

**LAYOFF LOCATION**

**Year To Date**

	<b>YTD 2022</b>	<b>YTD 2021</b>
<b>California</b>	<b>43,782</b>	<b>32,332</b>
<b>New York</b>	<b>18,940</b>	<b>10,536</b>
<b>Michigan</b>	<b>15,504</b>	<b>3,809</b>
<b>Pennsylvania</b>	<b>11,515</b>	<b>6,185</b>
<b>Texas</b>	<b>7,726</b>	<b>39,180</b>

Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.

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**Table 2: JOB CUTS BY INDUSTRY**

	21-Aug	22-Jul	22-Aug	YTD 2021	YTD 2022
<b>Aerospace/Defense</b>	305		289	33,303	1,213
<b>Apparel</b>	128		23	856	484
<b>Automotive</b>	1,665	9,510	3,613	8,639	28,701
<b>Chemical</b>	195			308	0
<b>Construction</b>	400		225	2,754	1,449
<b>Consumer Products</b>	711	1,327	786	5,018	7,284
<b>Education</b>	5	84	593	8,984	5,579
<b>Electronics</b>	123	58	54	2,246	836
<b>Energy</b>	1,641	100	193	18,458	1,023
<b>Entertainment/Leisure</b>	563	726	1,283	13,522	12,966
<b>Financial</b>	78	2,165	153	8,003	13,118
<b>Fintech</b>		156	1,300	563	4,870
<b>Food</b>	1,062	747	215	8,953	6,397
<b>Government</b>				4,494	4,933
<b>Health Care/Products</b>	2,259	951	951	16,263	21,292
<b>Industrial Goods</b>	1,207	786	590	8,122	5,095
<b>Insurance</b>			85	5,232	996
<b>Legal</b>	66			66	0
<b>Media</b>	31	54	425	3,348	2,758
<b>Mining</b>				224	161
<b>Non-Profit</b>				990	1,346
<b>Pharmaceutical</b>	823	923	897	5,610	3,512
<b>Real Estate</b>	31	92	123	665	6,135
<b>Retail</b>	398	1,320	1,724	15,729	8,940
<b>Services</b>	908	884	726	20,826	13,691
<b>Technology</b>	1,456	3,558	5,081	8,479	14,408
<b>Telecommunications</b>	202			25,085	240
<b>Transportation</b>	1,136	556	864	8,688	3,526
<b>Utility</b>	97			518	864
<b>Warehousing</b>	233	1,813	292	11,380	7,689
<b>TOTAL</b>	<b>15,723</b>	<b>25,810</b>	<b>20,485</b>	<b>247,326</b>	<b>179,506</b>

Source: Challenger, Gray & Christmas, Inc. ©

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**Table 3: JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>Aug-22</b>	<b>YTD 2022</b>	<b>YTD 2021</b>
Connecticut	739	2,536	2,106
Delaware		0	100
Dist. of Columbia		60	264
Maine		1,217	753
Maryland		4,714	2,282
Massachusetts	1,674	4,932	5,983
New Hampshire		68	29
New Jersey	180	1,945	4,782
New York	1,909	18,940	10,536
Pennsylvania	705	11,515	6,185
Rhode Island		0	564
Vermont		0	500
<b>TOTAL</b>	<b>5,207</b>	<b>45,927</b>	<b>34,084</b>

<b>MIDWEST</b>	<b>Aug-22</b>	<b>YTD 2022</b>	<b>YTD 2021</b>
Illinois	1,482	4,843	12,990
Indiana	35	2,858	1,864
Iowa	91	2,249	2,250
Kansas		561	654
Michigan	3,000	15,504	3,809
Minnesota	51	992	8,006
Missouri		269	12,290
Nebraska		171	174
Ohio	304	6,802	2,431
Wisconsin	867	6,312	2,129
<b>TOTAL</b>	<b>5,830</b>	<b>40,561</b>	<b>46,597</b>

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**Table 3 (cont'd): JOB CUTS BY REGION, STATE**

<b>WEST</b>	<b>Aug-22</b>	<b>YTD 2022</b>	<b>YTD 2021</b>
Alaska		182	378
Arizona	229	3,324	3,231
California	6,604	43,782	32,332
Colorado	443	1,634	3,094
Hawaii		0	1,618
Idaho		0	1,120
Montana		0	0
Nevada		249	303
New Mexico		408	746
North Dakota	17	37	333
Oklahoma		815	2,367
Oregon	300	1,417	2,465
South Dakota		60	420
Texas	123	7,726	39,180
Utah		1,152	613
Washington	184	6,695	38,555
Wyoming		0	91
<b>TOTAL</b>	<b>7,900</b>	<b>67,481</b>	<b>126,846</b>

<b>SOUTH</b>	<b>Aug-22</b>	<b>YTD 2022</b>	<b>YTD 2021</b>
Alabama		818	1,025
Arkansas	200	200	22
Florida	280	7,536	9,850
Georgia		2,867	7,860
Kentucky		1,626	899
Louisiana		422	439
Mississippi		271	1,638
North Carolina	68	4,593	3,135
South Carolina		2,269	2,014
Tennessee	920	3,057	7,886
Virginia	80	1,693	3,420
West Virginia		185	1,611
<b>TOTAL</b>	<b>1,548</b>	<b>25,537</b>	<b>39,799</b>

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**Table 4: JOB CUTS BY REASON**

	Aug-22	YTD
Cost-Cutting	7,258	41,948
No Reason Provided	4,098	35,729
Closing	5,350	32,705
Market Conditions	1,595	27,178
Vaccine Refusal		10,465
Demand Downturn	936	7,449
Restructuring	575	5,922
COVID-19		2,939
Acquisition/Merger		2,615
Plant Fire		2,353
Contract Loss		2,258
Financial Loss	130	2,241
Voluntary Severance/Buyouts		2,080
COVID-19 Recovery		874
Bankruptcy		857
Housing Downturn	500	500
Relocation (Domestic)		434
Outsourcing Operations to Another US Company		280
Natural Disaster		250
Reorganization		225
Avian Flu Outbreak		95
Legal Trouble		50
Safety Concerns	43	43
Tobacco Tariffs		15
Consolidation		1
<b>TOTAL</b>	<b>20,485</b>	<b>179,506</b>

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**Table 5: QUARTER BY QUARTER**

	Q1	Q2	Q3	Q4	TOTAL
1989	9,850	10,100	24,085	67,250	111,285
1990	107,052	87,686	49,104	72,205	316,047
1991	110,056	76,622	147,507	221,107	555,292
1992*	110,815	85,486	151,849	151,850	500,000
1993	170,615	84,263	194,486	165,822	615,186
1994	192,572	107,421	117,706	98,370	516,069
1995	97,716	114,583	89,718	137,865	439,882
1996	168,695	101,818	91,784	114,850	477,147
1997	134,257	51,309	95,930	152,854	434,350
1998	139,140	131,303	161,013	246,339	677,795
1999	210,521	173,027	173,181	118,403	675,132
2000	141,853	81,568	168,875	221,664	613,960
2001	406,806	370,556	594,326	585,188	1,956,876
2002	478,905	292,393	269,090	426,435	1,466,823
2003	355,795	274,737	241,548	364,346	1,236,426
2004	262,840	209,895	251,585	315,415	1,039,735
2005	287,134	251,140	245,378	288,402	1,072,054
2006	255,878	180,580	202,771	200,593	839,822
2007	195,986	197,513	194,095	180,670	768,264
2008	200,656	275,292	287,142	460,903	1,223,993
2009	562,510	318,165	240,233	151,122	1,120,908
2010	181,183	116,494	113,595	118,701	529,973
2011	130,749	115,057	233,258	127,018	606,082
2012	143,094	139,997	102,910	137,361	523,362
2013	145,041	113,891	128,452	121,667	509,051
2014	121,341	124,693	117,374	119,763	483,171
2015	140,214	147,458	205,759	105,079	598,510
2016	180,920	132,834	121,858	91,303	526,915
2017	126,201	100,799	94,478	97,292	418,770
2018	140,379	104,800	120,879	172,601	538,659
2019	190,410	140,577	133,882	127,687	592,556
2020	346,683	1,238,364	497,215	222,493	2,304,755
2021	144,686	67,975	52,560	56,749	321,970
2022	55,696	77,515			133,211
AVG	195,478	179,292	179,201	190,258	

Source: Challenger, Gray & Christmas, Inc. ©



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**Table 6: ANNOUNCED HIRING PLANS**

**By Month**

	2022	2021	2020	2019	2018	2017	2016	2015
<b>January</b>	<b>77,630</b>	72,063	23,229	74,040	41,890	136,501	8,362	8,774
<b>February</b>	<b>215,127</b>	146,403	88,202	15,279	139,925	25,765	7,539	14,574
<b>March</b>	<b>105,224</b>	97,767	824,610	96,368	14,525	127,006	10,997	6,412
<b>April</b>	<b>88,622</b>	76,345	285,639	258,302	13,842	61,537	11,557	13,898
<b>May</b>	<b>126,083</b>	49,118	38,981	8,663	9,889	77,447	24,732	12,598
<b>June</b>	<b>102,897</b>	110,093	75,454	11,946	13,504	40,095	13,564	11,176
<b>July</b>	<b>25,506</b>	18,281	246,507	22,316	9,823	88,142	16,051	11,637
<b>August</b>	<b>41,985</b>	94,004	160,411	24,937	17,274	14,530	9,101	11,778
<b>September</b>		939,790	929,860	459,689	595,997	422,726	487,075	492,306
<b>October</b>		52,042	255,198	190,835	130,338	37387	135,532	86,107
<b>November</b>		6,527	185,504	19,063	15,422	61,300	108,994	10,026
<b>December</b>		89,984	77,267	26,313	15,999	8,218	35,198	11,465
<b>TOTAL</b>	<b>783,074</b>	<b>1,752,417</b>	<b>3,190,862</b>	<b>1,207,751</b>	<b>1,018,428</b>	<b>1,100,654</b>	<b>868,702</b>	<b>690,751</b>

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**Table 7: ANNOUNCED HIRING PLANS**

INDUSTRY	22-Aug	YTD 2022	YTD 2021
Aerospace/Defense	670	11,778	15,355
Apparel		1,973	0
Automotive		29,894	9,405
Chemical	50	316	546
Construction	694	4,920	6,335
Consumer Products	1,867	16,757	12,197
Education		8,291	3,665
Electronics		4,450	2,829
Energy	596	5,669	3,858
Entertainment/Leisure	1,020	114,063	57,362
Financial	469	20,038	20,861
Fintech		4,398	1,135
Food	2,163	25,365	5,200
Government	400	92,498	107,244
Health Care/Products	100	23,957	31,004
Industrial Goods	1,007	15,573	17,124
Insurance	220	1,188	2,070
Legal		20	30
Media		2,270	1,077
Mining		1,025	850
Non-Profit	47	13,830	258
Pharmaceutical	123	4,985	1,847
Real Estate	80	5,452	1,594
Retail	23,896	270,863	159,776
Services	2,548	17,182	114,770
Technology	1,670	44,713	28,999
Telecommunications		6,176	2,859
Transportation	4,150	22,817	28,823
Utility		280	14,818
Warehousing	215	12,333	12,183
<b>TOTAL</b>	<b>41,985</b>	<b>783,074</b>	<b>664,074</b>

Source: Challenger, Gray & Christmas, Inc. ©