



Challenger, Gray
& Christmas, Inc.

CHALLENGER REPORT

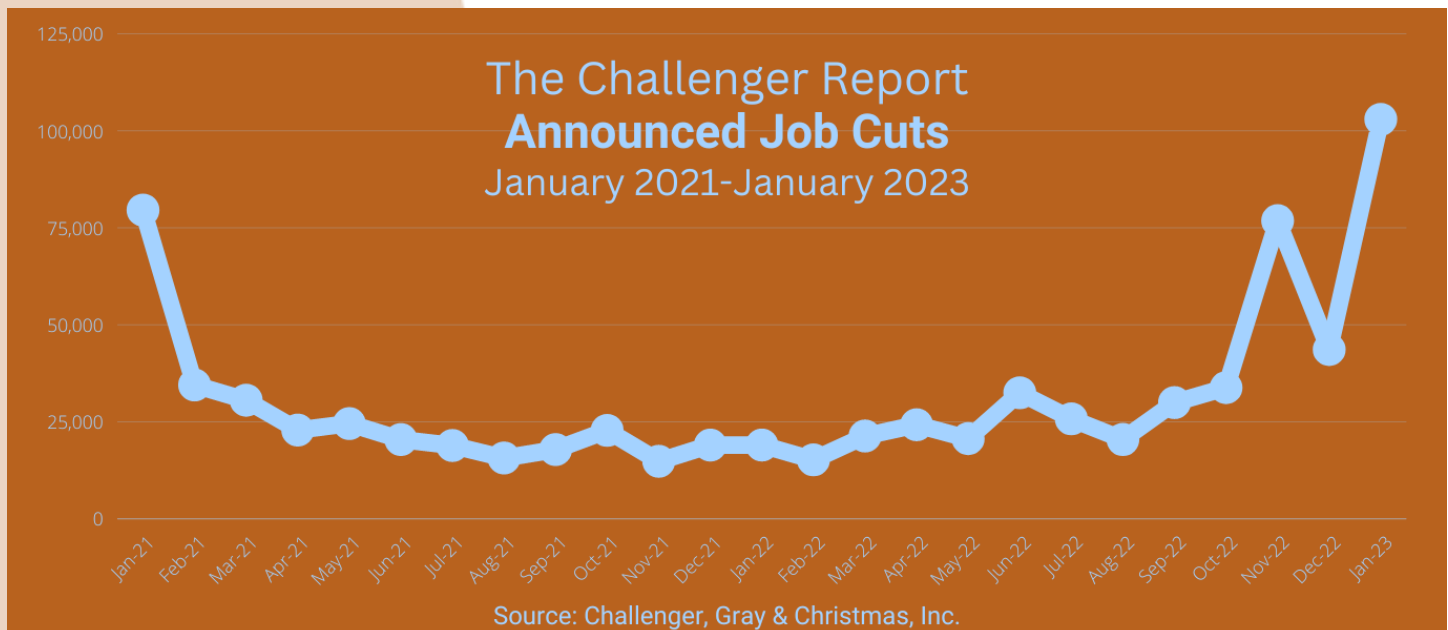
JANUARY 2023

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RECESSION OR CORRECTION? HIGHEST JANUARY SINCE 2009, HIGHEST MONTHLY TOTAL SINCE SEPTEMBER 2020

CHICAGO, February 2, 2023 – U.S.-based employers announced 102,943 cuts in January, a 136% increase from the 43,651 cuts announced in December. It is 440% higher than the 19,064 cuts announced in the same month in 2022, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

Last month's total is the highest January total since 2009, when 241,749 were announced in the first month of the year. It is the highest monthly total since September 2020 when 118,804 job cuts were reported.

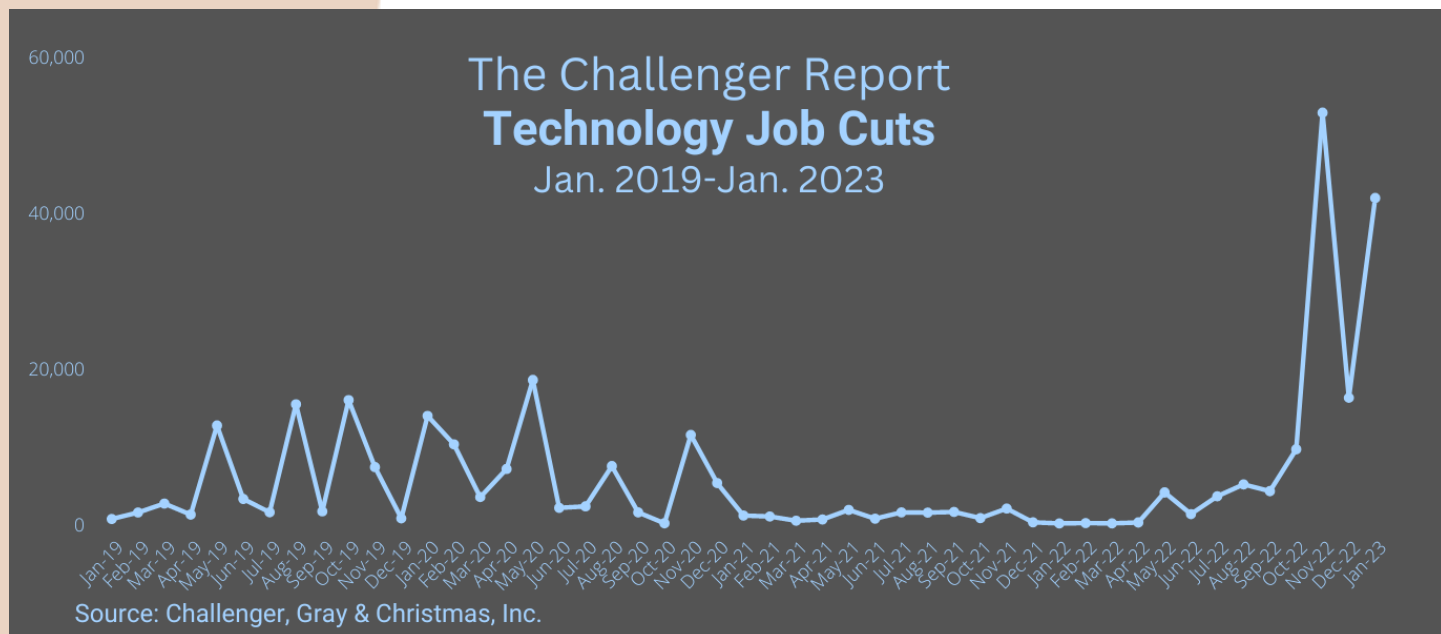


“We’re now on the other side of the hiring frenzy of the pandemic years,” said Andrew Challenger, labor expert and Senior Vice President of Challenger, Gray & Christmas, Inc.

“Companies are preparing for an economic slowdown, cutting workers and slowing hiring,” he added.

WHICH INDUSTRIES ARE CUTTING?

The Technology sector announced the most cuts with 41,829, 41% of all cuts announced in January. It is 158% higher than the 16,193 cuts announced in December 2022, and 57,996% higher than the 72 tracked in January 2022. Since November 2022, which saw the highest monthly total for the sector since Challenger began tracking in 1993 with 52,771, Technology companies have announced 110,793 job cuts. January's total is the second-highest for the sector on record.



Retailers announced the second-most cuts in January with 13,000, up 3,225% from the 391 announced in the same month in 2022. Financial firms announced 10,603 cuts last month, up 1,423% from the 696 cuts announced in January 2022.

As housing demand and prices fall, the Real Estate industry cut 2,191 cuts last month, up 1,314% from the 155 cuts announced in December 2022 and up 805% from the 242 announced in the same month a year ago. The Construction sector announced 1,138 cuts last month, up 92% from the 592 announced one month prior. No cuts were tracked for Construction firms in January 2022.

MEDIA & NEWS CUTS

The Media industry announced 754 cuts in January, the highest monthly total since 1,001 cuts were announced in June 2021. Of those, 360 were in digital, print, and broadcast News organizations, similar to the 362 News cuts announced in December, but up significantly from zero recorded in January 2022.

JANUARY HIRING PLANS

In January, employers announced plans to hire 32,764 workers, primarily in Entertainment/Leisure. This is down 58% from the 77,630 announced in January 2022 and down 37% from the 51,693 new jobs employers announced in December of last year.

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Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES

Year To Date

	2023	2022
Technology	41,829	72
Retail	13,000	391
Financial	10,603	696
Health Care/Products	6,733	5,053
Services	4,497	1,786

MONTH BY MONTH TOTALS

	2023	2022
January	102,943	19,064
February		15,245
March		21,387
April		24,286
May		20,712
June		32,517
July		25,810
August		20,485
September		29,989
October		33,843
November		76,835
December		43,651
TOTAL	102,943	363,824

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

	Jan-23	Jan-22
California	35,220	1,908
Washington	18,855	1,080
New York	13,087	724
Michigan	5,442	212
Texas	3,398	0

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

	22-Jan	22-Dec	23-Jan
Aerospace/Defense		687	800
Apparel	311	102	97
Automotive		243	4,463
Chemical		23	71
Construction		592	1,138
Consumer Products	1,432	2,101	4,308
Education	674	939	22
Electronics	176		152
Energy	52	198	140
Entertainment/Leisure	1,691	422	2,705
Financial	696	6,866	10,603
FinTech		2,351	1,316
Food	596	1,447	1,490
Government	673	439	143
Health Care/Products	5,053	1,595	6,733
Industrial Goods	382	350	295
Insurance	870	2,461	213
Legal		150	192
Media		402	754
Mining			
Non-Profit		288	190
Pharmaceutical	174	1,590	1,449
Real Estate	242	155	2,191
Retail	391	490	13,000
Services	1,786	1,192	4,497
Technology	72	16,193	41,829
Telecommunications	137	1,023	1,186
Transportation	101	179	1,331
Utility	504	800	220
Warehousing	3,051	373	1,415
TOTAL	19,064	43,651	102,943

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Table 3: JOB CUTS BY REGION, STATE

EAST	Jan-23	Jan-22
Connecticut	0	120
Delaware	110	0
Dist. of Columbia	1,314	0
Maine	0	0
Maryland	1,102	3,455
Massachusetts	3,221	0
New Hampshire	0	0
New Jersey	350	0
New York	13,087	724
Pennsylvania	2,055	711
Rhode Island	1,645	0
Vermont	32	0
TOTAL	22,916	5,010

MIDWEST	Jan-23	Jan-22
Illinois	811	590
Indiana	212	54
Iowa	62	214
Kansas	102	290
Michigan	5,442	212
Minnesota	3,200	700
Missouri	1,088	0
Nebraska	500	0
Ohio	1,425	1,024
Wisconsin	475	696
TOTAL	13,317	3,780

WEST	Jan-23	Jan-22
Alaska	0	0
Arizona	382	152
California	35,220	1,908
Colorado	1,027	314
Hawaii	0	0
Idaho	55	0
Montana	0	0
Nevada	1,324	0
New Mexico	0	0
North Dakota	0	0
Oklahoma	300	0
Oregon	1,413	465
South Dakota	0	0
Texas	3,398	0
Utah	66	0
Washington	18,855	1,080
Wyoming	12	0
TOTAL	62,052	3,919

SOUTH	Jan-23	Jan-22
Alabama	224	75
Arkansas	0	0
Florida	435	908
Georgia	520	153
Kentucky	703	1,293
Louisiana	89	68
Mississippi	2,020	0
North Carolina	185	2,020
South Carolina	0	442
Tennessee	86	1,000
Virginia	396	321
West Virginia	0	75
TOTAL	4,658	6,355

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Table 4: JOB CUTS BY REASON

	Jan-23
Market/Economic Conditions	86,526
No Reason Provided	5,777
Closing	5,744
Restructuring	2,031
Cost-Cutting	1,992
Contract Loss	734
Acquisition/Merger	71
Supply Shortage	50
Voluntary Severance/Buyouts	18
TOTAL	102,943

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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	76,284	154,329	363,824
AVG	195,478	179,292	176,174	189,169	

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Table 6: ANNOUNCED HIRING PLANS

By Month

	2023	2022	2021	2020	2019	2018	2017	2016
January	32,764	77,630	72,063	23,229	74,040	41,890	136,501	8,362
February		215,127	146,403	88,202	15,279	139,925	25,765	7,539
March		105,224	97,767	824,610	96,368	14,525	127,006	10,997
April		88,622	76,345	285,639	258,302	13,842	61,537	11,557
May		126,083	49,118	38,981	8,663	9,889	77,447	24,732
June		102,897	110,093	75,454	11,946	13,504	40,095	13,564
July		25,506	18,281	246,507	22,316	9,823	88,142	16,051
August		41,985	94,004	160,411	24,937	17,274	14,530	9,101
September		380,014	939,790	929,860	459,689	595,997	422,726	487,075
October		237,380	52,042	255,198	190,835	130,338	37387	135,532
November		30,203	6,527	185,504	19,063	15,422	61,300	108,994
December		51,693	89,984	77,267	26,313	15,999	8,218	35,198
TOTAL	32,764	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654	868,702

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Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	23-Jan	22-Jan	22-Dec
Aerospace/Defense	685	311	972
Apparel		537	325
Automotive	635	5,978	5,800
Chemical	65		275
Construction	1,670	926	4,082
Consumer Products	387	3,738	1,072
Education		1,072	465
Electronics		2,900	170
Energy	2,884	150	7,254
Entertainment/Leisure	15,859	4,254	906
Financial	250	1,822	750
FinTech		500	
Food	1,475	1,540	1,835
Government	25	9,113	2,836
Health Care/Products	452	10,166	11,006
Industrial Goods	1,159	2,009	4,381
Insurance		710	500
Legal		20	
Media		200	
Mining		20	
Non-Profit	1,900	1,955	153
Pharmaceutical	200	1,000	400
Real Estate	1,239	1,410	
Retail	615	5,901	1,165
Services	500	2,073	873
Technology	610	16,818	1,811
Telecommunications	1,250	32	100
Transportation		647	3,030
Utility		20	44
Warehousing	904	1,808	1,488
TOTAL	32,764	77,630	51,693

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