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MASS LAYOFFS IN APRIL 2004

In April 2004, employers took 1,458 mass layoff actions, as measured by new filings for unemployment insurance benefits during the month, according to data from the U.S. Department of Labor's Bureau of Labor Statistics. Each action involved at least 50 persons from a single establishment, and the number of workers involved totaled 157,314. (See table 1.) The number of events was the lowest for any April since 2001, and the number of initial claims was the lowest for April since 2000. From January through April 2004, the total number of events, at 5,747, and of initial claims, at 573,523, were lower than in January-April 2003 (6,466 and 624,833, respectively).

Industry Distribution

School and employee bus transportation, with 16,589 initial claims, and temporary help services, with 12,254 initial claims, together accounted for over 18 percent of all initial claims in April. The 10 industries reporting the highest number of mass-layoff initial claims accounted for 57,329 initial claims in April, 36 percent of the total. (See table A.)

The manufacturing sector had 24 percent of all mass layoff events and 23 percent of all initial claims filed in April—the lowest shares for any April since 1995, when the monthly series began. A year ago, manufacturing reported 32 percent of events and 39 percent of initial claims. Within manufacturing, the number of claimants was highest in food processing (13,582, mainly in frozen fruits and vegetables and in fresh and frozen seafood processing), followed by transportation equipment (4,625, largely automotive-related). (See table 2.)

The administrative and waste services sector accounted for 13 percent of events and initial claims filed in April, with layoffs mostly in temporary help services. Ten percent of all layoff events and 13 percent of initial claims filed during the month were in transportation and warehousing, mainly in school and employee bus transportation. Retail trade accounted for 8 percent of events and initial claims, largely in general merchandise stores. Construction accounted for 10 percent of events and 8 percent of initial claims during the month, primarily among specialty trade contractors. An additional 6 percent of events and initial claims were in accommodation and food services, mostly among food service contractors.

Government establishments accounted for 4 percent of events and 5 percent of initial claims filed during the month. The number of mass-layoff initial claims in government was 7,508. In April 2003, there were 3.851 such claims filed.

Table A. Industries with the largest mass-layoff initial claims in April 2004^p

• •	T 1.1 1 1 1	April peak				
Industry	Initial claims	Year	Initial claims			
School and employee bus transportation	16,589	2004	16,589			
Temporary help services	12,254	2001	17,507			
Motion picture and video production	6,007	1997	15,908			
Food service contractors	5,496	2004	5,496			
Tax preparation services	3,329	2004	3,329			
Professional employer organizations	3,262	2001	3,280			
Farm labor contractors and crew leaders	3,103	1998	4,054			
Hotels and motels, except casino hotels	2,647	2004	2,647			
Supermarkets and other grocery stores	2,405	1995	11,633			
Industrial building construction	2,237	2002	2,558			

p=preliminary.

Compared with April 2003, the largest decreases in initial claims were reported in transportation equipment manufacturing (-10,689), computer and electronic product manufacturing (-3,610), plastic and rubber products manufacturing (-2,853), and machinery manufacturing (-2,710). The largest over-the-year increases in initial claims was reported in transit and ground passenger transportation (+7,015), and food processing (+5,185).

Geographic Distribution

Among the four regions, the highest number of initial claims in April due to mass layoffs was reported in the West, 57,414. (See table 3.) Administrative and support services and motion picture and sound recording industries accounted for 31 percent of all initial claims in that region during the month. The Northeast region was next, with 40,728 initial claims, followed by the Midwest, with 31,619, and the South, with 27,553.

The number of initial claimants in mass layoffs declined over the year in two of the four regions, with the larger decrease in the Midwest (-11,847). The Northeast had the largest over-the-year increase in initial claims (+9,836). Seven of the nine geographic divisions had over-the-year decreases in the number of initial claims associated with mass layoffs, with the largest decrease in the East North Central division (-9,219). The Middle Atlantic division had the largest over-the-year increase (+10,137).

Among the states, California recorded the highest number of initial claims filed in mass layoff events in April (44,311), mostly in administrative and support services and in motion picture and sound recording industries. New York reported 19,056 initial claims, followed by Pennsylvania (10,897), Wisconsin (8,690), and Illinois (7,471). These five states accounted for 55 percent of all layoff events and 57 percent of all initial claims for unemployment insurance. (See table 4.)

Ohio reported the largest over-the-year decrease in the number of initial claims (-4,893), followed by Indiana (-4,599), Minnesota (-2,521), and Georgia (-2,188). The largest over-the-year increases occurred in New York (+9,905) and California (+5,271).

From January to April, California reported 151,301 mass layoff initial claims, 26 percent of the national total. The states with the next largest number of claims over this period were New York (49,495), Pennsylvania (34,086), and Ohio (29,289).

<u>Note</u>

The monthly data series in this release cover mass layoffs of 50 or more workers beginning in a given month, regardless of the duration of the layoffs. For private nonfarm establishments, information on the length of the layoff is obtained later and issued in a quarterly release that reports on mass layoffs lasting more than 30 days (referred to as "extended mass layoffs"). The quarterly release provides more information on the industry classification and location of the establishment and on the demographics of the laid-off workers. Because monthly figures include short-term layoffs of 30 days or less, the sum of the figures for the 3 months in a quarter will be higher than the quarterly figure for mass layoffs of more than 30 days. (See table 1.) See the Technical Note for more detailed definitions.

A special report on offshoring and outsourcing associated with mass layoffs is planned for June. The report on Mass Layoffs in May 2004 is scheduled to be released on Wednesday, June 23, 2004.

Technical Note

The Mass Layoff Statistics (MLS) program is a federal-state program that uses a standardized, automated approach to identifying, describing, and tracking the effects of major job cutbacks, using data from each state's unemployment insurance database. Each month, states report on establishments which have at least 50 initial claims filed against them during a consecutive 5-week period. These establishments then are contacted by the state agency to determine whether these separations lasted 31 days or longer, and, if so, other information concerning the layoff is collected. States report on layoffs lasting more than 1 month on a quarterly basis.

A given month contains an aggregation of the weekly unemployment insurance claims filings for the Sunday through Saturday weeks in that month. All weeks are included for the particular month, except if the first day of the month falls on Saturday. In this case, the week is included in the prior month's tabulations. This means that some months will contain 4 weeks and others 5 weeks, and the number of weeks in a given month may be different from year to year. Therefore,

analysis of over-the-month and over-the-year change should take this calendar effect into consideration.

The MLS program resumed operations in April 1995 after it had been terminated in November 1992 due to lack of funding. Prior to April 1995, monthly layoff statistics were not available.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

Definitions

Initial claimant. A person who files any notice of unemployment to initiate a request either for a determination of entitlement to and eligibility for compensation, or for a subsequent period of unemployment within a benefit year or period of eligibility.

Mass layoff event. Fifty or more initial claims for unemployment insurance benefits filed against an establishment during a 5-week period, regardless of duration.

Table 1. Mass layoff events and initial claimants for unemployment insurance. April 2002 to April 2004

					Private	nonfarm			
Date	Total ma	ss layoffs	Mass	layoffs		mass layoffs than 30 days	Realization rates ¹		
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants	
2002									
April	. 1,506	165,814	1,378	153,216					
May	1,723	179,799	1,571	166,801					
June	1,584	162,189	1,266	136,424					
Second Quarter	4,813	507,802	4,215	456,441	1,624	299,598	38.5	65.6	
July	. 2,042	245,294	1,819	226,892					
August	,	128,103	1,151	119,874					
September	1	124,522	957	114,736					
Third Quarter	. 4,352	497,919	3,927	461,502	1,186	254,955	30.2	55.2	
October	. 1,497	171,100	1,270	149,327					
November	1	240,171	1,860	216,237					
December		264,158	2,324	252,807					
Fourth Quarter	6,124	675,429	5,454	618,371	1,916	370,592	35.1	59.9	
2003									
January	. 2,315	225,430	2,130	210,918					
February	1,363	124,965	1,222	116,264					
March	. 1,207	113,026	1,099	104,468					
First Quarter	4,885	463,421	4,451	431,650	1,502	^r 297,607	33.7	68.9	
April	. 1,581	161,412	1,470	152,937					
May	1,703	174,204	1,538	160,729					
June	. 1,691	157,552	1,336	127,743					
Second Quarter	4,975	493,168	4,344	441,409	1,799	^r 348,890	41.4	^r 79.0	
July	. 2,087	226,435	1,815	206,901					
August	. 1,258	133,839	1,163	124,131					
September	868	82,647	756	73,914					
Third Quarter	. 4,213	442,921	3,734	404,946	1,190	^r 227,568	31.9	^r 56.2	
October	. 1,523	158,240	1,265	137,706					
November	. 1,438	138,543	1,234	123,524					
December	. 1,929	192,633	1,793	182,750					
Fourth Quarter	4,890	489,416	4,292	443,980	^r 1,690	^r 325,765	^r 39.4	^r 73.4	
2004									
January	. 2,428	239,454	2,226	220,687					
February	. 941	84,201	832	76,577	1				
March p	. 920	92,554	847	87,782					
First Quarter p	. 4,289	416,209	3,905	385,046	² 1,204	² 165,272	30.8	42.9	
April ^p	1,458	157,314	1,316	142,657					

¹ The event realization rate is the percentage of all private nonfarm mass layoff events lasting more than 30 days. The initial claimant realization by less than 10 percent and the number of initial claimants associated rate is the percentage of all private nonfarm mass layoff initial claimants associated with layoffs lasting more than 30 days.

number of extended mass layoff events is generally revised upwards with such events increases by 25-40 percent.

² These quarterly numbers are provisional and will be revised as more data on these layoffs become available. Experience suggests that the

^p = preliminary.

r = revised.

Table 2. Industry distribution: Mass layoff events and initial claimants for unemployment insurance

Industry distribution: Mass layor	Mass layoff events				Initial claimants for unemployment insurance			
	April	February	March	April	April	February	March	April
	2003	2004	2004 ^p	2004 ^p	2003	2004	2004 ^p	2004 ^p
Total ¹	1,581	941	920	1,458	161,412	84,201	92,554	157,314
Total, private	1,534	905	884	1,396	157,561	81,093	89,955	149,806
Agriculture, forestry, fishing and hunting		73	37	80	4,624	4,516	2,173	7,149
Total, private nonfarm	1,470	832	847	1,316	152,937	76,577	87,782	142,657
Mining	(²)	4	4	(2)	(2)	505	206	(2)
Utilities	`´5	(²)	(²)	(²)	326	(²)	(²)	(²)
Construction	150	`131	106	149	10,042	8,586	7,288	11,904
Manufacturing	499	240	258	343	62,349	23,043	34,686	36,172
Food	84	62	56	112	8,397	6,517	6,220	13,582
Beverage and tobacco products	7	6	9	5	450	557	1,039	319
Textile mills	17	4	6	8	2,725	310	456	1,091
Textile product mills	9	7	(²)	5	697	560	(²)	420
Apparel	19	5	13	12	2,385	389	1,050	922
Leather and allied products		(²)	_	5	398	(²)	_	399
Wood products	30	18	16	16	2,858	1,438	1,540	1,684
Paper	14	4	7	7	1,083	391	529	499
Printing and related support activities	8	10	7	15	848	828	501	1,618
Petroleum and coal products		(²)	_	-	_	(²)	-	_
Chemicals	6	4	7	11	1,752	324	416	677
Plastics and rubber products	24	10	14	12	3,789	917	1,061	936
Nonmetallic mineral products	14	5	12	7	1,190	312	860	452
Primary metals	27	9	4	9	3,195	913	375	920
Fabricated metal products		18	16	22	2,478	1,720	1,103	2,030
Machinery		12	10	19	4,368	803	693	1,658
Computer and electronic products		12	15	17	4,985	815	1,274	1,375
Electrical equipment and appliances		11	12	7	1,836	2,109	2,789	1,252
Transportation equipment		23	38	32	15,445	2,671	13,430	4,625
Furniture and related products		9	11	11	2,829	679	985	835
Miscellaneous manufacturing	6	8	(²)	11	641	553	(²)	878
Wholesale trade	31	13	19	21	2,425	956	1,518	1,944
Retail trade	124	102	77	118	11,839	9,383	6,733	12,659
Transportation and warehousing	132	35	38	145	14,386	4,658	4,682	20,292
Information	51	19	32	42	11,131	4,716	4,912	7,851
Finance and insurance	35	25	27	31	2,121	1,562	2,228	2,594
Real estate and rental and leasing	10	(²)	5	11	569	(²)	332	1,214
Professional and technical services	60	30	29	54	5,852	4,247	2,619	6,939
Management of companies and enterprises	(²)	6	(²)	4	(²)	587	(²)	269
Administrative and waste services	188	139	129	194	16,693	11,065	11,546	20,812
Educational services	6	(²)	(²)	4	463	(²)	(²)	374
Health care and social assistance	24	16	19	31	1,695	954	1,039	2,118
Arts, entertainment, and recreation	33	11	4	40	2,605	677	167	3,368
Accommodation and food services	95	46	82	93	8,014	4,455	8,755	10,067
Other services, except public administration	17	8	9	26	1,504	629	506	3,240
Unclassified	5	2	1	6	389	191	85	563
Government	47	36	36	62	3,851	3,108	2,599	7,508
Federal	4	6	5	14	318	504	428	1,173
State	13	13	10	11	1,470	1,121	763	884
Local	30	17	21	37	2,063	1,483	1,408	5,451

¹ Data were reported by all states and the District of Columbia.

p = preliminary.

NOTE: Dash represents zero.

 $^{^{\}rm 2}\,{\rm Data}$ do not meet BLS or state agency disclosure standards.

Table 3. Mass layoff events and initial claimants for unemployment insurance by census region and division

Census region and division	Mass layoff events				Initial claimants for unemployment insurance			
	April	February	March	April	April	February	March	April
	2003	2004	2004 ^p	2004 ^p	2003	2004	2004 ^p	2004 ^p
United States ¹	1,581	941	920	1,458	161,412	84,201	92,554	157,314
Northeast	326	117	123	332	30,892	12,795	12,196	40,728
New England	59	26	12	49	6,214	3,321	912	5,913
Middle Atlantic	267	91	111	283	24,678	9,474	11,284	34,815
South	323	191	207	292	34,922	17,770	22,094	27,553
South Atlantic	151	87	101	139	14,851	8,799	8,749	12,141
East South Central	74	32	41	52	9,550	3,602	4,141	5,936
West South Central	98	72	65	101	10,521	5,369	9,204	9,476
Midwest	334	211	185	275	43,466	19,183	25,756	31,619
East North Central	271	172	138	235	36,974	15,385	19,002	27,755
West North Central	63	39	47	40	6,492	3,798	6,754	3,864
Vest	598	422	405	559	52,132	34,453	32,508	57,414
Mountain	73	28	30	52	6,426	2,323	3,146	5,962
Pacific	525	394	375	507	45,706	32,130	29,362	51,452

¹ See footnote 1, table 2.

NOTE: The States (including the District of Columbia) that comprise the census divisions are: New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; Middle Atlantic: New Jersey, New York, and Pennsylvania; South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North

Carolina, South Carolina, Virginia, and West Virginia; East South Central:
Alabama, Kentucky, Mississippi, and Tennessee; West South Central: Arkansas,
Louisiana, Oklahoma, and Texas; East North Central: Illinois, Indiana, Michigan,
Ohio, and Wisconsin; West North Central: Iowa, Kansas, Minnesota, Missouri,
Nebraska, North Dakota, and South Dakota; Mountain: Arizona, Colorado, Idaho,
Montana, Nevada, New Mexico, Utah, and Wyoming; and Pacific: Alaska,
California, Hawaii, Oregon, and Washington.

^p = preliminary.

Table 4. State distribution: Mass layoff events and initial claimants for unemployment insurance

State	Mass layoff events				Initial claimants for unemployment insurance			
	April 2003	February 2004	March 2004 ^p	April 2004 ^p	April 2003	February 2004	March 2004 ^p	April 2004 ^p
Total ¹	1,581	941	920	1,458	161,412	84,201	92,554	157,314
Alabama	24	(²)	7	15	4,048	(²)	654	2,051
Alaska	6	(²)	-	5	489	(²)	-	633
Arizona	22	3	6	20	2,193	214	593	3,177
Arkansas	3	(²)	3	6	326	(²)	422	513
California	455	365	341	440	39,040	29,865	25,730	44,311
Colorado	14	5	(²)	9	1,318	523	(²)	973
Connecticut	3	5	_	6	206	351	_	513
Delaware	3	(²)	(²)	3	180	(²)	(²)	165
District of Columbia	-	_	(²)	-	-	-	(²)	_
Florida	64	46	57	69	4,451	3,480	4,405	5,447
Georgia	31	17	11	21	4,299	2,448	927	2,111
Hawaii	8	(²)	8	7	621	(²)	788	570
Idaho	8	(²)	10	6	778	(²)	1,156	559
Illinois	64	47	29	54	7,210	4,108	3,812	7,471
Indiana	37	24	13	25	6,826	2,195	2,609	2,227
lowa	13	7	11	8	1,249	698	1,330	846
Kansas	5	6	5	9	406	517	357	1,222
Kentucky	29	10	18	20	4,186	950	2,164	2,559
Louisiana	20	13	10	28	2,777	757	887	2,554
Maine	6	5	(²)	7	575	347	(²)	662
Maryland	9	(²)	(²)	9	859	(²)	(²)	906
Massachusetts	29	5	6	16	3,307	352	386	1,759
Michigan	32	23	27	38	4,704	2,150	4,548	3,556
Minnesota	21	6	9	5	2,848	460	2,979	327
Mississippi	9	(²)	(²)	6	547	(²)	(²)	419
Missouri	18	16	14	15	1,441	1,479	1,429	1,242
Montana	4	3	(²)	(²)	443	336	(²)	(²)
Nebraska	4	3	5	3	348	548	363	227
Nevada	13	9	7	6	961	594	642	420
New Hampshire	3	3	(²)	(²)	205	480	(²)	(²)
New Jersey	47	25	23	47	4,523	2,749	2,151	4,862
New Mexico	8	(²)	3	4	495	(²)	323	346
New York	91	26	27	120	9,151	3,612	2,451	19,056
North Carolina	21	10	13	20	1,990	912	1,261	1,768
North Dakota	(²)	_	(²)		(2)		(²)	-
Ohio	62	46	31	51	10,704	4,142	4,167	5,811
Oklahoma	6	5	8	5	1,070	413	3,254	425
Oregon	22	13	13	33	2,238	986	1,858	3,899
Pennsylvania	129	40	61	116	11,004	3,113	6,682	10,897
Rhode Island	9	7	3	8	1,137	1,716	219	1,624
South Carolina	8	3	6	6	1,228	325	863	796
South Dakota	(²)	(²)	(²)	-	(²)	(²)	(²)	_
Tennessee	12	19	14	11	769	1,723	1,231	907
Texas	69	52	44	62	6,348	4,062	4,641	5,984
Utah	4	4	(²)	4	238	295	(2)	248
Vermont	9	(²)	(²)	10	784	(2)	(²)	1,177
Virginia	13	8	10	10	1,719	574	1,010	849
Washington	34	13	13	22	3,318	1,023	986	2,039
West Virginia	(²)	_	(2)	(2)	(2)	_	(²)	(²)
Wisconsin	76	32	38	67	7,530	2,790	3,866	8,690
Wyoming	_	_	(²)	(²)	_	_	(2)	(²)
Puerto Rico	13	9	4	11	1,833	891	318	1,147

¹ See footnote 1, table 2.

^p = preliminary.

NOTE: Dash represents zero.

Data do not meet BLS or state agency disclosure standards.