

News

United States
Department
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

Technical information:
<http://www.bls.gov/mls/>

(202) 691-6392

USDL 03-261

Media contact:

691-5902

For release: 10:00 A.M. EDT
Thursday, May 29, 2003

MASS LAYOFFS IN APRIL 2003

Employers initiated 1,576 mass layoff actions in April 2003, 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 161,095. (See table 1.) Compared with April 2002, the number of layoff events increased slightly, while the number of workers involved declined. April 2003 marked the 11th consecutive month the number of mass layoff initial claims declined over the year. From January through April 2003, the total number of events, at 6,460, and initial claims, at 624,401, were lower than in January-April 2002 (6,496 and 730,002, respectively).

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. 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") and 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.

Industry Distribution

School and employee bus transportation, with 10,086 claims, and temporary help services, with 9,784, each had over 6 percent of all initial claims in April. (See table A.)

Manufacturing industries accounted for 32 percent of all mass layoff events and 39 percent of all initial claims filed in April. In April 2002, manufacturing accounted for 31 percent of events and initial claims. The number of initial claimants was highest in transportation equipment (15,454, mainly in automobile manufacturing), followed by food production (8,468) and computer and electronic products (4,985). (See table 2.)

The administrative and waste services sector accounted for 12 percent of events and 10 percent of initial claims filed during the month, with layoffs mostly in temporary help services. Eight percent of all layoff events and 9 percent of initial claims filed during the month were in transportation and warehousing, primarily in school and employee bus transportation. Eight percent of the events and 7 percent of the initial claims were from retail trade, mostly from general merchandise stores, largely in discount department stores. The information sector accounted for 3 percent of events and 7 percent of initial claims, largely in motion picture and video production. Construction accounted for 10 percent of events and 6 percent of initial claims during the month, mostly among specialty trade contractors.

Table A. Industries with largest mass layoff initial claims in April 2003^p

Industry	Initial claims	April peak	
		Year	Initial claims
School and employee bus transportation	10,086	2002	13,056
Temporary help services	9,784	2001	17,507
Motion picture and video production	7,142	1997	15,908
Automobile manufacturing	5,268	1996	14,744
Discount department stores	3,902	2003	3,902
Food service contractors	2,930	1998	3,574
Professional employer organizations	2,673	2001	3,280
Tax preparation services	2,578	2002	2,904
Hotels and motels, except casino hotels	2,556	2003	2,556
Scheduled passenger air transportation.....	2,197	2003	2,197

p=preliminary.

Government establishments accounted for 3 percent of events and 2 percent of initial claims filed during the month, particularly in executive, legislative, and general government agencies.

Compared with April 2002, the largest decreases in initial claims were reported in transit and ground passenger transportation (-3,118), telecommunications (-2,803), and agriculture and forestry support activities (-2,712). The largest over-the-year increase in initial claims was reported in transportation equipment manufacturing (+8,026).

Geographic Distribution

Among the four regions, the highest number of initial claims in April due to mass layoffs was reported in the West, 51,815. (See table 3.) Administrative and support services and motion picture and sound recording accounted for 31 percent of all initial claims in that region during the month. The Midwest followed, with 43,466 initial claims, then the South, with 34,922, and the Northeast, with 30,892.

The number of initial claimants in mass layoffs declined over the year in three of the four regions, with the largest decrease in the Northeast (-7,684). The Midwest had the only over-the-year increase (+6,347). Six of the nine geographic divisions had over-the-year decreases in the number of initial claims associated with mass layoffs, with the largest decline in the Middle Atlantic (-6,635). The East North Central division had the largest increase (+5,847).

California recorded the largest number of initial claims filed in mass layoff events this April, 39,040, mostly in motion picture and sound recording and in administrative and support services. Pennsylvania reported 11,004, followed by Ohio (10,704) and New York (9,151). These four states accounted for 47 percent of all layoff events and 43 percent of initial claims for unemployment insurance. (See table 4.)

New York reported the largest over-the-year decrease in the number of initial claims (-8,738), followed by Texas (-3,497) and Illinois (-2,373). The largest over-the-year increases occurred in Indiana (+3,828) and Georgia (+2,613).

From January to April 2003, California reported 163,082 mass layoff initial claims, 26 percent of the national total. The states with the next largest number of claims over this period were Pennsylvania (44,209), New York (36,793), and Ohio (36,478).

The report on Extended Mass Layoffs in the First Quarter of 2003 will be issued on Wednesday, June 18, 2003.

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 2001 to April 2003

Date	Total mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates ¹	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
2001						
April	1,450	176,265				
May	1,434	159,365				
June	2,107	253,826				
Second Quarter	4,991	589,456	2,072	401,270	41.5	68.1
July	2,117	273,807				
August	1,490	166,148				
September	1,327	160,402				
Third Quarter	4,934	600,357	1,815	370,942	36.8	61.8
October	1,831	215,483				
November	2,721	295,956				
December	2,440	268,893				
Fourth Quarter	6,992	780,332	2,698	502,662	38.6	64.4
2002						
January	2,146	263,821				
February	1,383	138,984				
March	1,460	161,336				
First Quarter	4,989	564,141	1,748	315,819	35.0	56.0
April	1,507	165,861				
May	1,726	180,007				
June	1,580	161,928				
Second Quarter	4,813	507,796	1,905	352,183	39.6	69.4
July	2,041	245,211				
August	1,247	128,080				
September	1,062	124,512				
Third Quarter	4,350	497,803	1,383	274,576	31.8	55.2
October	1,497	171,088				
November	2,150	240,028				
December	2,470	263,775				
Fourth Quarter	6,117	674,891	² 2,127	^{2, p} 305,208	^p 34.8	^p 45.2
2003						
January ^r	2,315	225,415				
February	1,363	124,977				
March ^p	1,206	112,914				
First Quarter ^p	4,884	463,306				
April ^{3, p}	1,576	161,095				

¹ The event realization rate is the percentage of total mass layoff events lasting more than 30 days. The initial claimant realization rate is the percentage of total mass-layoff initial claimants associated with layoffs lasting more than 30 days.

² These quarterly numbers are provisional and will increase as more data on these layoffs become available. Recent experience suggests that the number of extended mass layoff events is generally revised

upwards by less than 10 percent and the number of initial claimants associated with such events increases by 25-40 percent.

³ Data were reported by all states and the District of Columbia, except Wyoming.

^p = preliminary.

^r = revised.

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

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	April 2002	February 2003	March 2003 ^P	April 2003 ^P	April 2002	February 2003	March 2003 ^P	April 2003 ^P
Total ¹	1,507	1,363	1,206	1,576	165,861	124,977	112,914	161,095
Total, private	1,458	1,322	1,162	1,529	161,342	121,902	109,305	157,244
Agriculture, forestry, fishing and hunting	79	100	64	64	8,079	5,626	4,949	4,624
Mining	15	8	7	(²)	1,409	788	708	(²)
Utilities	(²)	(²)	(²)	5	(²)	(²)	(²)	326
Construction	105	196	125	150	9,135	13,434	7,640	10,042
Manufacturing.....	461	435	390	500	50,897	48,182	41,063	62,429
Food	80	59	72	85	9,291	5,475	7,607	8,468
Beverage and tobacco products	8	9	(²)	7	899	458	(²)	450
Textile mills	9	16	9	17	1,120	1,958	764	2,725
Textile product mills	(²)	7	5	9	(²)	571	432	697
Apparel	30	20	11	19	3,742	1,525	950	2,385
Leather and allied products	5	(²)	-	5	437	(²)	-	398
Wood products	19	29	35	30	1,637	2,372	3,104	2,858
Paper	15	15	9	14	1,330	1,436	937	1,083
Printing and related support activities	10	13	7	8	874	793	658	848
Petroleum and coal products	(²)	(²)	-	-	(²)	(²)	-	-
Chemicals	10	9	(²)	6	664	1,185	(²)	1,752
Plastics and rubber products	11	16	6	24	857	1,136	552	3,789
Nonmetallic mineral products	9	18	19	14	717	1,652	1,882	1,190
Primary metals	22	17	21	27	1,979	1,678	1,766	3,195
Fabricated metal products	22	34	24	35	1,781	2,622	1,734	2,478
Machinery	35	22	35	35	5,045	4,207	3,761	4,368
Computer and electronic products	74	41	41	53	7,336	3,690	5,077	4,985
Electrical equipment and appliances	19	19	26	17	2,427	3,159	3,787	1,836
Transportation equipment	53	53	44	67	7,428	10,535	5,061	15,454
Furniture and related products	18	24	14	22	1,919	2,702	1,727	2,829
Miscellaneous manufacturing	7	9	8	6	735	613	830	641
Wholesale trade	27	19	21	31	2,212	1,321	1,811	2,425
Retail trade	122	110	102	121	13,715	10,015	10,480	11,656
Transportation and warehousing	104	34	37	132	15,442	4,650	4,382	14,386
Information	86	61	50	51	12,127	5,689	6,971	11,131
Finance and insurance	34	24	33	34	3,142	1,778	2,130	2,061
Real estate and rental and leasing	4	10	8	10	684	795	483	569
Professional and technical services	62	33	40	60	7,767	4,224	3,187	5,852
Management of companies and enterprises	(²)	5	(²)	(²)	(²)	431	(²)	(²)
Administrative and waste services	177	176	163	186	18,110	15,898	15,062	16,593
Educational services.....	5	(²)	(²)	6	356	(²)	(²)	463
Health care and social assistance	29	22	24	24	2,406	1,619	1,569	1,695
Arts, entertainment, and recreation	33	15	12	33	3,507	1,447	663	2,551
Accommodation and food services	74	52	71	95	7,378	4,746	7,111	8,014
Other services, except public administration.....	26	11	4	17	3,279	629	280	1,504
Unclassified	10	6	3	5	1,106	361	284	389
Government	49	41	44	47	4,519	3,075	3,609	3,851
Federal	7	7	6	4	543	421	570	318
State	15	14	9	13	1,717	1,054	614	1,470
Local	27	20	29	30	2,259	1,600	2,425	2,063

¹ For April 2003, data were reported by all states and the District of Columbia, except Wyoming.

² Data do not meet BLS or state agency disclosure standards.

^P = preliminary.

NOTE: Industry data reflect the North American Industry Classification System (NAICS), 2002. Dash represents zero.

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 2002	February 2003	March 2003 ^p	April 2003 ^p	April 2002	February 2003	March 2003 ^p	April 2003 ^p
United States ¹	1,507	1,363	1,206	1,576	165,861	124,977	112,914	161,095
Northeast	306	225	157	326	38,576	23,291	15,230	30,892
New England	62	26	29	59	7,263	2,758	2,987	6,214
Middle Atlantic	244	199	128	267	31,313	20,533	12,243	24,678
South	331	307	263	323	35,740	32,877	24,630	34,922
South Atlantic	158	142	109	151	16,451	15,410	9,362	14,851
East South Central	58	45	55	74	6,629	5,249	4,752	9,550
West South Central	115	120	99	98	12,660	12,218	10,516	10,521
Midwest	314	235	237	334	37,119	23,244	26,239	43,466
East North Central	260	181	174	271	31,127	16,279	18,946	36,974
West North Central	54	54	63	63	5,992	6,965	7,293	6,492
West	556	596	549	593	54,426	45,565	46,815	51,815
Mountain	61	27	47	68	7,382	2,857	4,251	6,109
Pacific	495	569	502	525	47,044	42,708	42,564	45,706

¹ See footnote 1, table 2.

^p = preliminary.

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.

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

State	Mass layoff events				Initial claimants for unemployment insurance			
	April 2002	February 2003	March 2003 ^P	April 2003 ^P	April 2002	February 2003	March 2003 ^P	April 2003 ^P
Total ¹	1,507	1,363	1,206	1,576	165,861	124,977	112,914	161,095
Alabama	25	9	11	24	2,529	1,547	1,108	4,048
Alaska	4	(²)	–	6	361	(²)	–	489
Arizona	24	7	13	22	3,649	537	1,148	2,193
Arkansas	7	4	5	3	509	288	381	326
California	436	525	438	455	39,943	38,769	36,360	39,040
Colorado	11	6	9	14	1,121	535	1,126	1,318
Connecticut	4	3	5	3	232	190	412	206
Delaware	3	(²)	–	3	508	(²)	–	180
District of Columbia	(²)	–	–	–	(²)	–	–	–
Florida	69	59	60	64	6,303	4,459	4,188	4,451
Georgia	16	23	15	31	1,686	3,627	1,224	4,299
Hawaii	7	3	(²)	8	512	186	(²)	621
Idaho	6	4	13	8	625	996	1,187	778
Illinois	61	44	35	64	9,583	4,956	3,161	7,210
Indiana	24	28	37	37	2,998	2,267	4,826	6,826
Iowa	12	15	14	13	1,530	1,191	1,572	1,249
Kansas	9	5	9	5	797	2,056	1,449	406
Kentucky	20	14	21	29	2,315	2,174	2,124	4,186
Louisiana	19	16	8	20	1,982	1,043	402	2,777
Maine	7	(²)	(²)	6	822	(²)	(²)	575
Maryland	3	6	(²)	9	218	562	(²)	859
Massachusetts	24	18	16	29	2,891	1,620	1,263	3,307
Michigan	30	21	10	32	2,714	1,719	848	4,704
Minnesota	14	8	13	21	1,936	614	1,041	2,848
Mississippi	5	10	8	9	287	732	509	547
Missouri	11	15	23	18	974	1,922	2,930	1,441
Montana	3	(²)	(²)	4	224	(²)	(²)	443
Nebraska	6	6	(²)	4	499	830	(²)	348
Nevada	9	8	7	13	1,169	659	475	961
New Hampshire	10	–	(²)	3	1,099	–	(²)	205
New Jersey	35	31	17	47	4,439	3,772	1,253	4,523
New Mexico	(²)	–	(²)	3	(²)	–	(²)	178
New York	126	42	40	91	17,889	5,265	3,571	9,151
North Carolina	25	17	12	21	2,832	1,385	1,273	1,990
North Dakota	(²)	3	(²)	(²)	(²)	229	(²)	(²)
Ohio	80	46	40	62	9,034	4,097	4,988	10,704
Oklahoma	5	7	10	6	324	553	1,606	1,070
Oregon	24	24	41	22	3,118	2,036	4,336	2,238
Pennsylvania	83	126	71	129	8,985	11,496	7,419	11,004
Rhode Island	8	(²)	(²)	9	1,431	(²)	(²)	1,137
South Carolina	21	20	6	8	2,450	2,159	986	1,228
South Dakota	–	(²)	(²)	(²)	–	(²)	(²)	(²)
Tennessee	8	12	15	12	1,498	796	1,011	769
Texas	84	93	76	69	9,845	10,334	8,127	6,348
Utah	6	–	(²)	4	460	–	(²)	238
Vermont	9	(²)	3	9	788	(²)	833	784
Virginia	17	13	14	13	1,959	1,263	1,392	1,719
Washington	24	15	21	34	3,110	1,511	1,745	3,318
West Virginia	3	(²)	(²)	(²)	346	(²)	(²)	(²)
Wisconsin	65	42	52	76	6,798	3,240	5,123	7,530
Wyoming	–	(²)	–	(¹)	–	(²)	–	(¹)
Puerto Rico	12	10	5	13	1,591	1,336	378	1,833

¹ See footnote 1, table 2.

² Data do not meet BLS or state agency disclosure standards.

^P = preliminary.

NOTE: Dash represents zero.