

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 04-459

Media contact:

691-5902

For release: 10:00 A.M. EST
Wednesday, March 24, 2004

MASS LAYOFFS IN FEBRUARY 2004

In February 2004, there were 941 mass layoff actions by employers, 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 84,201. (See table 1.) The number of events was the lowest for any February since 1997, and the number of initial claims was the lowest for any February since 1998. Both the number of events and initial claims were sharply lower than a year ago, and the over-the-year declines were the largest for a February since the program began in April 1995.

Industry Distribution

Temporary help services, with 6,953 initial claimants, and motion picture and video production, with 3,967 initial claimants, together accounted for 13 percent of all initial claims in February. (See table A.) The 10 industries reporting the highest number of mass-layoff initial claims accounted for 27,989 initial claims in February, 33 percent of the total.

The manufacturing sector had 26 percent of all mass layoff events and 27 percent of all initial claims filed in February, both being the smallest shares for any February on record. 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 (6,517, mainly in fruit and vegetable canning), followed by transportation equipment (2,671) and electrical equipment and appliances (2,109). (See table 2.)

The administrative and waste services sector accounted for 15 percent of events and 13 percent of initial claims filed in February, with layoffs mostly in temporary help services. Eleven percent of all layoff events and initial claims filed during the month were in retail trade, especially in discount department stores, which recorded a series peak for February. Construction accounted for an additional 14 percent of events and 10 percent of initial claims during the month, primarily among specialty trade contractors.

Government establishments accounted for 4 percent of events and initial claims filed during the month, particularly in educational services. Government accounted for its largest share of events and initial claims for any February on record.

Compared with February 2003, the largest decreases in initial claims were reported in transportation equipment manufacturing (-7,864), administrative and support services (-4,648), and machinery manufac-

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

Industry	Initial claims	February peak	
		Year	Initial claims
Temporary help services	6,953	2001	18,893
Motion picture and video production	3,967	2002	5,844
School and employee bus transportation	2,997	2004	2,997
Payroll services	2,675	2000	6,590
Discount department stores	2,669	2004	2,669
Farm labor contractors and crew leaders	2,313	2000	12,516
Department stores, except discount	1,814	2001	2,994
Supermarkets and other grocery stores	1,646	2002	1,982
Food service contractors	1,500	2003	1,700
Professional employer organizations	1,455	2001	3,241

p=preliminary.

turing (-3,404). The largest over-the-year increases in initial claims were reported in motion picture and sound recording (+1,632) and in general merchandise stores (+1,434).

Geographic Distribution

Among the four regions, the highest number of initial claims in February due to mass layoffs was reported in the West, 34,453. (See table 3.) Administrative and support services and motion picture and sound recording industries accounted for 24 percent of all initial claims in that region during the month. The Midwest region was next, with 19,183 initial claims, followed by the South, with 17,770, and the Northeast, with 12,795.

The number of initial claimants in mass layoffs declined over the year in all four of the regions, with the largest decrease in the South (-15,107). Eight of the nine geographic divisions had over-the-year decreases in the number of initial claims associated with mass layoffs, with the largest decreases in the Middle Atlantic (-11,059) and Pacific (-10,543) divisions. The New England division reported the only increase in mass-layoff initial claims (+563).

Among the states, California recorded the largest number of initial claims filed in mass layoff events in February, 29,865, mostly in motion picture and sound recording industries and administrative and support services. Ohio reported 4,142 initial claims, followed by Illinois (4,108) and Texas (4,062). These four states accounted for 54 percent of all layoff events and 50 percent of all initial claims for unemployment insurance. (See table 4.)

California reported the largest over-the-year decrease in the number of initial claims (-8,869), followed by Pennsylvania (-8,383) and Texas (-6,272). The largest over-the-year increase occurred in Tennessee (+927).

Note

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”). 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.

The report on Mass Layoffs in March 2004 is scheduled to be released on Thursday, April 22, 2004.

NOTE: Due to budget constraints in the Mass Layoff Statistics (MLS) program, beginning with data for the first quarter of 2004, the scope of quarterly extended mass layoffs and plant closings, regularly reported in the release, Extended Mass Layoffs in (Quarter), has been redefined to cover only the private nonfarm economy. Quarterly information on layoff events in agriculture and government will no longer be collected. However, the monthly reporting of the MLS program in the release, Mass Layoffs in (Month), which is based only on administrative data, will be unaffected and will continue to cover the total economy.

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, January 2002 to February 2004

Date	Total mass layoffs		Private nonfarm					
			Mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates ¹	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
2002								
January	2,146	263,777	2,028	252,245				
February	1,382	138,808	1,253	129,849				
March	1,460	161,316	1,335	151,305				
First Quarter	4,988	563,901	4,616	533,399	1,611	292,998	34.9	54.9
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	1,248	128,103	1,151	119,874				
September	1,062	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	2,153	240,171	1,860	216,237				
December	2,474	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	297,524	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	346,549	41.4	78.5
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	225,609	31.9	55.7
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	^{2,p} 1,592	^{2,p} 229,014	37.1	51.6
2004								
January ^p	2,428	239,454	2,226	220,687				
February ^p	941	84,201	832	76,577				

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

² These quarterly numbers are provisional and will be revised as more

data on these layoffs become available. 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.

^p = preliminary.

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

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	February 2003	December 2003	January 2004 ^P	February 2004 ^P	February 2003	December 2003	January 2004 ^P	February 2004 ^P
Total ¹	1,363	1,929	2,428	941	124,965	192,633	239,454	84,201
Total, private	1,322	1,846	2,339	905	121,890	185,928	228,578	81,093
Agriculture, forestry, fishing and hunting	100	53	113	73	5,626	3,178	7,891	4,516
Total, private nonfarm	1,222	1,793	2,226	832	116,264	182,750	220,687	76,577
Mining	8	21	17	4	788	1,937	1,329	505
Utilities	(²)	3	3	(²)	(²)	160	345	(²)
Construction	195	335	324	131	13,399	25,684	23,405	8,586
Manufacturing.....	435	648	848	240	48,161	77,915	89,551	23,043
Food	59	89	108	62	5,475	9,285	11,083	6,517
Beverage and tobacco products	9	5	9	6	458	781	834	557
Textile mills	16	31	48	4	1,958	4,299	6,376	310
Textile product mills	7	14	19	7	571	2,102	1,933	560
Apparel	20	32	44	5	1,525	3,232	5,836	389
Leather and allied products	(²)	7	11	(²)	(²)	842	1,195	(²)
Wood products	29	55	46	18	2,351	5,000	5,651	1,438
Paper	15	12	20	4	1,436	934	1,847	391
Printing and related support activities	13	7	24	10	793	627	2,147	828
Petroleum and coal products	(²)	10	5	(²)	(²)	863	362	(²)
Chemicals	9	9	23	4	1,185	735	2,384	324
Plastics and rubber products	16	40	50	10	1,136	3,579	4,821	917
Nonmetallic mineral products	18	49	42	5	1,652	4,079	3,813	312
Primary metals	17	33	44	9	1,678	3,421	4,579	913
Fabricated metal products	34	39	72	18	2,622	4,045	6,960	1,720
Machinery	22	24	39	12	4,207	3,629	3,017	803
Computer and electronic products	41	19	44	12	3,690	1,408	3,561	815
Electrical equipment and appliances	19	20	23	11	3,159	4,726	2,263	2,109
Transportation equipment	53	122	114	23	10,535	21,061	15,107	2,671
Furniture and related products	24	14	36	9	2,702	1,607	3,541	679
Miscellaneous manufacturing	9	17	27	8	613	1,660	2,241	553
Wholesale trade	19	27	27	13	1,321	2,443	2,391	956
Retail trade	110	98	188	102	10,015	9,203	22,145	9,383
Transportation and warehousing	34	131	128	35	4,650	15,528	14,038	4,658
Information	61	40	67	19	5,689	3,839	9,394	4,716
Finance and insurance	24	27	41	25	1,778	1,764	3,547	1,562
Real estate and rental and leasing	10	4	15	(²)	795	562	1,202	(²)
Professional and technical services	33	57	47	30	4,224	6,095	4,288	4,247
Management of companies and enterprises	5	3	3	6	431	296	895	587
Administrative and waste services	177	200	285	139	15,942	17,256	27,855	11,065
Educational services.....	(²)	6	8	(²)	(²)	327	553	(²)
Health care and social assistance	22	27	35	16	1,619	2,075	2,991	954
Arts, entertainment, and recreation	15	20	41	11	1,447	1,795	3,149	677
Accommodation and food services	52	131	113	46	4,746	14,701	9,614	4,455
Other services, except public administration.....	11	12	26	8	629	955	2,992	629
Unclassified	6	3	10	2	361	215	1,003	191
Government	41	83	89	36	3,075	6,705	10,876	3,108
Federal	7	13	26	6	421	1,419	2,725	504
State	14	10	13	13	1,054	830	1,405	1,121
Local	20	60	50	17	1,600	4,456	6,746	1,483

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

^P = preliminary.

² 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			
	February 2003	December 2003	January 2004 ^p	February 2004 ^p	February 2003	December 2003	January 2004 ^p	February 2004 ^p
United States ¹	1,363	1,929	2,428	941	124,965	192,633	239,454	84,201
Northeast	225	350	498	117	23,291	34,437	50,650	12,795
New England	26	66	64	26	2,758	6,904	5,689	3,321
Middle Atlantic	199	284	434	91	20,533	27,533	44,961	9,474
South	307	335	501	191	32,877	32,467	53,115	17,770
South Atlantic	142	192	244	87	15,410	17,903	25,490	8,799
East South Central	45	59	153	32	5,249	6,510	17,176	3,602
West South Central	120	84	104	72	12,218	8,054	10,449	5,369
Midwest	235	780	688	211	23,244	87,806	68,404	19,183
East North Central	181	596	574	172	16,279	64,802	58,674	15,385
West North Central	54	184	114	39	6,965	23,004	9,730	3,798
West	596	464	741	422	45,553	37,923	67,285	34,453
Mountain	28	63	63	28	2,880	7,025	6,292	2,323
Pacific	568	401	678	394	42,673	30,898	60,993	32,130

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			
	February 2003	December 2003	January 2004 ^P	February 2004 ^P	February 2003	December 2003	January 2004 ^P	February 2004 ^P
Total ¹	1,363	1,929	2,428	941	124,965	192,633	239,454	84,201
Alabama	9	27	112	(²)	1,547	3,728	13,754	(²)
Alaska	(²)	3	6	(²)	(²)	213	429	(²)
Arizona	7	8	7	3	537	551	645	214
Arkansas	4	6	(²)	(²)	288	656	(²)	(²)
California	524	346	576	365	38,734	25,953	51,395	29,865
Colorado	6	11	11	5	535	1,107	1,043	523
Connecticut	3	13	7	5	190	1,166	669	351
Delaware	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
District of Columbia	-	4	(²)	-	-	287	(²)	-
Florida	59	63	60	46	4,459	4,826	4,044	3,480
Georgia	23	31	92	17	3,627	3,354	10,525	2,448
Hawaii	3	6	4	(²)	186	506	296	(²)
Idaho	4	12	16	(²)	996	1,647	1,125	(²)
Illinois	44	123	88	47	4,956	15,006	9,610	4,108
Indiana	28	108	58	24	2,267	15,330	5,499	2,195
Iowa	15	46	29	7	1,191	5,305	2,267	698
Kansas	5	29	14	6	2,056	3,518	954	517
Kentucky	14	9	10	10	2,174	995	1,030	950
Louisiana	16	15	14	13	1,043	991	908	757
Maine	(²)	5	14	5	(²)	424	1,463	347
Maryland	6	15	19	(²)	562	1,119	2,009	(²)
Massachusetts	18	24	30	5	1,620	2,568	2,375	352
Michigan	21	135	171	23	1,719	12,275	16,615	2,150
Minnesota	8	51	30	6	614	6,342	2,688	460
Mississippi	10	8	6	(²)	732	450	384	(²)
Missouri	15	45	26	16	1,922	6,180	2,422	1,479
Montana	(²)	7	4	3	(²)	918	270	336
Nebraska	6	10	11	3	830	1,411	984	548
Nevada	8	20	14	9	659	2,351	2,225	594
New Hampshire	-	(²)	(²)	3	-	(²)	(²)	480
New Jersey	31	76	73	25	3,772	6,895	7,191	2,749
New Mexico	(²)	3	6	(²)	(²)	278	328	(²)
New York	42	88	194	26	5,265	9,448	24,376	3,612
North Carolina	17	23	18	10	1,385	1,857	1,829	912
North Dakota	3	(²)	(²)	-	229	(²)	(²)	-
Ohio	46	117	141	46	4,097	10,693	15,169	4,142
Oklahoma	7	12	13	5	553	1,278	1,517	413
Oregon	24	26	70	13	2,036	2,498	6,681	986
Pennsylvania	126	120	167	40	11,496	11,190	13,394	3,113
Rhode Island	(²)	12	5	7	(²)	1,775	332	1,716
South Carolina	20	17	26	3	2,159	2,713	3,563	325
South Dakota	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Tennessee	12	15	25	19	796	1,337	2,008	1,723
Texas	93	51	74	52	10,334	5,129	7,571	4,062
Utah	-	(²)	5	4	-	(²)	656	295
Vermont	(²)	10	5	(²)	(²)	794	573	(²)
Virginia	13	34	24	8	1,263	3,372	3,061	574
Washington	15	20	22	13	1,511	1,728	2,192	1,023
West Virginia	(²)	3	(²)	-	(²)	176	(²)	-
Wisconsin	42	113	116	32	3,240	11,498	11,781	2,790
Wyoming	(²)	-	-	-	(²)	-	-	-
Puerto Rico	10	6	5	9	1,336	486	511	891

¹ See footnote 1, table 2.

^P = preliminary.

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

NOTE: Dash represents zero.