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

(202) 691-6392

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Media contact:

691-5902

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MASS LAYOFFS IN MARCH 2004

In March 2004, there were 920 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 92,554. (See table 1.) Both the number of events and initial claims were sharply lower than a year ago and were the lowest for any March since 1999. From January through March 2004, the total number of events, at 4,289, and initial claims, at 416,209, were lower than in January-March 2003 (4,885 and 463,421, respectively).

Industry Distribution

Automobile manufacturing, with 6,553 initial claimants, temporary help services, with 5,311 initial claimants, and food service contractors, with 4,975 initial claimants, together accounted for 18 percent of all initial claims in March. The 10 industries reporting the highest number of mass-layoff initial claims accounted for 32,411 initial claims in March, 35 percent of the total. (See table A.)

The manufacturing sector had 28 percent of all mass layoff events and 37 percent of all initial claims filed in March. A year ago, manufacturing reported 32 percent of events and 36 percent of initial claims. Within manufacturing, the number of claimants was highest in transportation equipment (13,430, mostly automotive-related), followed by food processing (6,220, mainly in frozen fruits and vegetables). (See table 2.)

The administrative and waste services sector accounted for 14 percent of events and 12 percent of initial claims filed in March, with layoffs mostly in temporary help services. Nine percent of all layoff events and initial claims filed during the month were in accommodation and food services, especially in food service contractors, which recorded a series peak for March. Construction accounted for 12 percent of events and 8 percent of initial claims during the month, primarily among specialty trade contractors. An additional 8 percent of events and 7 percent of initial claims were in retail trade, mostly from discount department stores.

Government establishments accounted for 4 percent of events and 3 percent of initial claims filed during the month.

Compared with March 2003, the largest decreases in initial claims were reported in computer and electronic product manufacturing (-3,803), administrative and support services (-3,286), machinery manufacturing (-3,068), and general merchandise stores (-2,829). The largest over-the-year increase in initial claims was reported in transportation equipment manufacturing (+8,369).

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

Industry	Initial claims	March peak	
		Year	Initial claims
Automobile manufacturing	6,553	1996	15,411
Temporary help services	5,311	2002	14,338
Food service contractors	4,975	2004	4,975
Motion picture and video production	3,702	2000	6,735
Light truck and utility vehicle mfg.	2,624	2004	2,624
School and employee bus transportation.....	2,589	2002	6,064
Professional employer organizations	1,895	2002	2,987
Household refrigerator and home freezer mfg.	1,763	2001	2,279
All other transportation equipment mfg.	1,670	2004	1,670
Frozen fruit and vegetable manufacturing	1,329	1997	2,560

p=preliminary.

Geographic Distribution

Among the four regions, the highest number of initial claims in March due to mass layoffs was reported in the West, 32,508. (See table 3.) Administrative and support services and motion picture and sound recording industries accounted for 30 percent of all initial claims in that region during the month. The Midwest region was next, with 25,756 initial claims, followed by the South, with 22,094, and the Northeast, with 12,196.

The number of initial claimants in mass layoffs declined over the year in all four of the regions, with the largest decrease in the West (-14,419). Eight 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 Pacific division (-13,202).

Among the states, California recorded the largest number of initial claims filed in mass layoff events in March (25,730), mostly in administrative and support services and in motion picture and sound recording industries. Pennsylvania reported 6,682 initial claims, followed by Texas (4,641), Michigan (4,548), and Florida (4,405). These five states accounted for 58 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 (-10,630), followed by Texas (-3,486), Oregon (-2,478), and Indiana (-2,217). The largest over-the-year increase occurred in Michigan (+3,700).

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 Extended Mass Layoffs in the First Quarter of 2004 is scheduled to be released on Tuesday, May 18, 2004. The report on Mass Layoffs in April 2004 is scheduled to be released on Wednesday, May 26, 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 extended mass layoffs and plant closings, regularly reported in the quarterly release, *Extended Mass Layoffs*, 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*, 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 March 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	^{2p} 1,592	^{2p} 229,014	37.1	51.6
2004								
January	2,428	239,454	2,226	220,687				
February ^p	941	84,201	832	76,577				
March ^p	920	92,554	847	87,782				
First Quarter ^p	4,289	416,209	3,905	385,046				

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			
	March 2003	January 2004	February 2004 ^P	March 2004 ^P	March 2003	January 2004	February 2004 ^P	March 2004 ^P
Total ¹	1,207	2,428	941	920	113,026	239,454	84,201	92,554
Total, private	1,163	2,339	905	884	109,417	228,578	81,093	89,955
Agriculture, forestry, fishing and hunting	64	113	73	37	4,949	7,891	4,516	2,173
Total, private nonfarm	1,099	2,226	832	847	104,468	220,687	76,577	87,782
Mining	7	17	4	4	708	1,329	505	206
Utilities	(²)	3	(²)	(²)	(²)	345	(²)	(²)
Construction	125	324	131	106	7,640	23,405	8,586	7,288
Manufacturing.....	390	848	240	258	41,063	89,551	23,043	34,686
Food	72	108	62	56	7,607	11,083	6,517	6,220
Beverage and tobacco products	(²)	9	6	9	(²)	834	557	1,039
Textile mills	9	48	4	6	764	6,376	310	456
Textile product mills	5	19	7	(²)	432	1,933	560	(²)
Apparel	11	44	5	13	950	5,836	389	1,050
Leather and allied products	-	11	(²)	-	-	1,195	(²)	-
Wood products	35	46	18	16	3,104	5,651	1,438	1,540
Paper	9	20	4	7	937	1,847	391	529
Printing and related support activities	7	24	10	7	658	2,147	828	501
Petroleum and coal products	-	5	(²)	-	-	362	(²)	-
Chemicals	(²)	23	4	7	(²)	2,384	324	416
Plastics and rubber products	6	50	10	14	552	4,821	917	1,061
Nonmetallic mineral products	19	42	5	12	1,882	3,813	312	860
Primary metals	21	44	9	4	1,766	4,579	913	375
Fabricated metal products	24	72	18	16	1,734	6,960	1,720	1,103
Machinery	35	39	12	10	3,761	3,017	803	693
Computer and electronic products	41	44	12	15	5,077	3,561	815	1,274
Electrical equipment and appliances	26	23	11	12	3,787	2,263	2,109	2,789
Transportation equipment	44	114	23	38	5,061	15,107	2,671	13,430
Furniture and related products	14	36	9	11	1,727	3,541	679	985
Miscellaneous manufacturing	8	27	8	(²)	830	2,241	553	(²)
Wholesale trade	21	27	13	19	1,811	2,391	956	1,518
Retail trade	102	188	102	77	10,480	22,145	9,383	6,733
Transportation and warehousing	37	128	35	38	4,356	14,038	4,658	4,682
Information	50	67	19	32	6,971	9,394	4,716	4,912
Finance and insurance	33	41	25	27	2,130	3,547	1,562	2,228
Real estate and rental and leasing	8	15	(²)	5	483	1,202	(²)	332
Professional and technical services	40	47	30	29	3,187	4,288	4,247	2,619
Management of companies and enterprises	4	3	6	(²)	339	895	587	(²)
Administrative and waste services	163	285	139	129	15,062	27,855	11,065	11,546
Educational services.....	(²)	8	(²)	(²)	(²)	553	(²)	(²)
Health care and social assistance	24	35	16	19	1,569	2,991	954	1,039
Arts, entertainment, and recreation	12	41	11	4	663	3,149	677	167
Accommodation and food services	71	113	46	82	7,111	9,614	4,455	8,755
Other services, except public administration.....	4	26	8	9	280	2,992	629	506
Unclassified	3	10	2	1	284	1,003	191	85
Government	44	89	36	36	3,609	10,876	3,108	2,599
Federal	6	26	6	5	570	2,725	504	428
State	9	13	13	10	614	1,405	1,121	763
Local	29	50	17	21	2,425	6,746	1,483	1,408

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

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

^P = preliminary.

NOTE: 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			
	March 2003	January 2004	February 2004 ^P	March 2004 ^P	March 2003	January 2004	February 2004 ^P	March 2004 ^P
United States ¹	1,207	2,428	941	920	113,026	239,454	84,201	92,554
Northeast	157	498	117	123	15,230	50,650	12,795	12,196
New England	29	64	26	12	2,987	5,689	3,321	912
Middle Atlantic	128	434	91	111	12,243	44,961	9,474	11,284
South	263	501	191	207	24,630	53,115	17,770	22,094
South Atlantic	109	244	87	101	9,362	25,490	8,799	8,749
East South Central	55	153	32	41	4,752	17,176	3,602	4,141
West South Central	99	104	72	65	10,516	10,449	5,369	9,204
Midwest	237	688	211	185	26,239	68,404	19,183	25,756
East North Central	174	574	172	138	18,946	58,674	15,385	19,002
West North Central	63	114	39	47	7,293	9,730	3,798	6,754
West	550	741	422	405	46,927	67,285	34,453	32,508
Mountain	48	63	28	30	4,363	6,292	2,323	3,146
Pacific	502	678	394	375	42,564	60,993	32,130	29,362

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			
	March 2003	January 2004	February 2004 ^P	March 2004 ^P	March 2003	January 2004	February 2004 ^P	March 2004 ^P
Total ¹	1,207	2,428	941	920	113,026	239,454	84,201	92,554
Alabama	11	112	(²)	7	1,108	13,754	(²)	654
Alaska	—	6	(²)	—	—	429	(²)	—
Arizona	13	7	3	6	1,148	645	214	593
Arkansas	5	(²)	(²)	3	381	(²)	(²)	422
California	438	576	365	341	36,360	51,395	29,865	25,730
Colorado	9	11	5	(²)	1,126	1,043	523	(²)
Connecticut	5	7	5	—	412	669	351	—
Delaware	—	(²)	(²)	(²)	—	(²)	(²)	(²)
District of Columbia	—	(²)	—	(²)	—	(²)	—	(²)
Florida	60	60	46	57	4,188	4,044	3,480	4,405
Georgia	15	92	17	11	1,224	10,525	2,448	927
Hawaii	(²)	4	(²)	8	(²)	296	(²)	788
Idaho	13	16	(²)	10	1,187	1,125	(²)	1,156
Illinois	35	88	47	29	3,161	9,610	4,108	3,812
Indiana	37	58	24	13	4,826	5,499	2,195	2,609
Iowa	14	29	7	11	1,572	2,267	698	1,330
Kansas	9	14	6	5	1,449	954	517	357
Kentucky	21	10	10	18	2,124	1,030	950	2,164
Louisiana	8	14	13	10	402	908	757	887
Maine	(²)	14	5	(²)	(²)	1,463	347	(²)
Maryland	(²)	19	(²)	(²)	(²)	2,009	(²)	(²)
Massachusetts	16	30	5	6	1,263	2,375	352	386
Michigan	10	171	23	27	848	16,615	2,150	4,548
Minnesota	13	30	6	9	1,041	2,688	460	2,979
Mississippi	8	6	(²)	(²)	509	384	(²)	(²)
Missouri	23	26	16	14	2,930	2,422	1,479	1,429
Montana	(²)	4	3	(²)	(²)	270	336	(²)
Nebraska	(²)	11	3	5	(²)	984	548	363
Nevada	7	14	9	7	475	2,225	594	642
New Hampshire	(²)	(²)	3	(²)	(²)	(²)	480	(²)
New Jersey	17	73	25	23	1,253	7,191	2,749	2,151
New Mexico	3	6	(²)	3	248	328	(²)	323
New York	40	194	26	27	3,571	24,376	3,612	2,451
North Carolina	12	18	10	13	1,273	1,829	912	1,261
North Dakota	(²)	(²)	—	(²)	(²)	(²)	—	(²)
Ohio	40	141	46	31	4,988	15,169	4,142	4,167
Oklahoma	10	13	5	8	1,606	1,517	413	3,254
Oregon	41	70	13	13	4,336	6,681	986	1,858
Pennsylvania	71	167	40	61	7,419	13,394	3,113	6,682
Rhode Island	(²)	5	7	3	(²)	332	1,716	219
South Carolina	6	26	3	6	986	3,563	325	863
South Dakota	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Tennessee	15	25	19	14	1,011	2,008	1,723	1,231
Texas	76	74	52	44	8,127	7,571	4,062	4,641
Utah	(²)	5	4	(²)	(²)	656	295	(²)
Vermont	3	5	(²)	(²)	833	573	(²)	(²)
Virginia	14	24	8	10	1,392	3,061	574	1,010
Washington	21	22	13	13	1,745	2,192	1,023	986
West Virginia	(²)	(²)	—	(²)	(²)	(²)	—	(²)
Wisconsin	52	116	32	38	5,123	11,781	2,790	3,866
Wyoming	—	—	—	(²)	—	—	—	(²)
Puerto Rico	5	5	9	4	378	511	891	318

¹ See footnote 1, table 2.

^P = preliminary.

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

NOTE: Dash represents zero.