

# 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 04-2392

Media contact:

691-5902

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

## MASS LAYOFFS IN OCTOBER 2004

In October 2004, employers took 1,241 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 127,774. (See table 1.) Both the number of events and initial claims were the lowest for any October since October 2000. Data for October 2004 were reported by all states and the District of Columbia, except Vermont. From January through October 2004, the total numbers of events, 12,966, and initial claims, 1,315,320, were lower than in January-October 2003 (15,596 and 1,557,750, respectively).

### Industry Distribution

The 10 industries reporting the highest number of mass-layoff initial claims accounted for 37,670 initial claims in October, 29 percent of the total. (See table A.) Temporary help services, with 8,113 initial claims, and motion picture and video production, with 5,673 initial claims, together accounted for 11 percent of all initial claims in October.

The manufacturing sector had 30 percent of all mass layoff events and 38 percent of all initial claims filed in October. A year ago, manufacturing comprised 29 percent of events and 34 percent of initial claims. Within manufacturing, the number of claimants was highest in transportation equipment (12,733, mainly automotive-related), followed by food processing (9,049) and machinery (4,224). (See table 2.)

The administrative and waste services sector accounted for 15 percent of events and 12 percent of initial claims filed in October, with layoffs mainly in temporary help services. Ten percent of all layoff events and 7 percent of initial claims filed during the month were in construction, primarily among specialty trade contractors. Accommodation and food services accounted for 7 percent of events and initial claims during the month, mainly in hotels and motels, except casino hotels. Retail trade accounted for 8 percent of events and 7 percent of initial claims, mostly in general merchandise stores. An additional 3 percent of events and 6 percent of initial claims were from the information sector, largely in motion picture and sound recording.

Government establishments accounted for 5 percent of events and 4 percent of initial claims filed during the month, mostly in executive, legislative, and general government agencies.

Compared with October 2003, the largest decreases in initial claims were reported in food and beverage stores (-12,161), administrative and support services (-6,147), and agriculture and forestry support activities

**Table A. Industries with the largest mass-layoff initial claims in October 2004<sup>p</sup>**

Industry	Initial claims	October peak	
		Year	Initial claims
Temporary help services .....	8,113	1998	18,760
Motion picture and video production .....	5,673	1997	7,692
Hotels and motels, except casino hotels .....	4,282	2001	5,795
Light truck and utility vehicle mfg. ....	3,859	2001	8,763
Professional employer organizations .....	3,477	2001	3,523
Fruit and vegetable canning .....	2,901	2002	4,500
Automobile manufacturing .....	2,837	2001	7,563
Payroll services .....	2,388	2001	4,995
Farm labor contractors and crew leaders .....	2,117	1998	9,617
Highway, street, and bridge construction .....	2,023	2003, 2004	2,023

p=preliminary.

(-5,450). The largest over-the-year increases in initial claims were reported in accommodation (+3,383) and transportation equipment (+2,463).

#### Geographic Distribution

Among the four Census regions, the highest number of initial claims in October due to mass layoffs was reported in the West, 44,250. (See table 3.) Motion picture and sound recording industries, administrative and support services, and food manufacturing accounted for 32 percent of all mass-layoff initial claims in that region during the month. The Midwest region was the next largest, with 35,859 initial claims, followed by the South, with 30,246, and the Northeast, with 17,419.

The number of initial claimants in mass layoffs fell over the year in two of the four regions. The largest decrease was in the West (-24,126), followed by the Midwest (-7,573). The South reported an over-the-year increase of 875 initial claims, followed by the Northeast (+358). Five 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 Pacific (-23,698) and West North Central (-6,697) divisions. The largest over-the-year increase was in the South Atlantic division (+1,967).

Among the states reporting data this month (Vermont did not provide data), California recorded the highest number of initial claims filed in mass layoff events in October (34,896), mostly in motion picture and sound recording industries and in administrative and support services. Florida reported 9,737 initial claims, followed by Ohio (8,193), Illinois (8,019), and Pennsylvania (7,661). These five states accounted for 55 percent of all layoff events and 54 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 (-22,426), followed by Missouri (-3,442) and Iowa (-2,035). The largest over-the-year increase occurred in Florida (+5,129).

From January to October 2004, California reported 327,746 mass layoff initial claims, 25 percent of the national total. The states with the next largest number of claims over this period were Michigan (83,251), New York (82,765), Ohio (77,321), and Pennsylvania (72,275).

## 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. 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.

---

The report on Mass Layoffs in November 2004 is scheduled to be released on Thursday, December 23, 2004.

### **Addition of Seasonally Adjusted Data**

Beginning with the release of data for January 2005 in February 2005, the Bureau of Labor Statistics will publish seasonally adjusted mass layoff data series as well as an analysis of significant over-the-month changes in those series. Seasonal adjustment accounts for the effects of events that follow a more or less regular pattern each year, making it easier to observe the cyclical and other nonseasonal movements. Initially, six mass layoff series will be seasonally adjusted—the number of layoff events and the number of associated initial claims for unemployment insurance for the U.S. total, the private nonfarm sector, and the manufacturing sector. Historical data for each of these series will be available from April 1995 forward.

# 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, October 2002 to October 2004**

Date	Total mass layoffs		Private nonfarm					
			Mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates <sup>1</sup>	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
2002								
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	297,608	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	348,966	41.4	79.1
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	<sup>r</sup> 227,909	31.9	56.3
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	1,690	<sup>r</sup> 326,328	39.4	73.5
2004								
January .....	2,428	239,454	2,226	220,687				
February .....	941	84,201	832	76,577				
March .....	920	92,554	847	87,782				
First Quarter .....	4,289	416,209	3,905	385,046	1,339	<sup>r</sup> 238,056	34.3	<sup>r</sup> 61.8
April .....	1,458	157,314	1,316	142,657				
May .....	988	87,501	878	78,786				
June .....	1,379	134,588	1,077	110,804				
Second Quarter .....	3,825	379,403	3,271	332,247	<sup>r</sup> 1,359	<sup>r</sup> 251,970	<sup>r</sup> 41.5	<sup>r</sup> 75.8
July .....	2,094	253,929	1,860	234,877				
August .....	809	69,033	745	63,876				
September <sup>p</sup> .....	708	68,972	637	63,102				
Third Quarter <sup>p</sup> .....	3,611	391,934	3,242	361,855	<sup>2</sup> 780	<sup>2</sup> 101,456	24.1	28.0
October <sup>p</sup> .....	1,241	127,774	1,100	117,231				

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>r</sup> = revised.

<sup>p</sup> = preliminary.

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

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	October 2003	August 2004	September 2004 <sup>P</sup>	October 2004 <sup>P</sup>	October 2003	August 2004	September 2004 <sup>P</sup>	October 2004 <sup>P</sup>
Total <sup>1</sup> .....	1,523	809	708	1,241	158,240	69,033	68,972	127,774
Total, private .....	1,453	769	669	1,176	150,713	65,294	64,917	122,258
Agriculture, forestry, fishing and hunting .....	188	24	32	76	13,007	1,418	1,815	5,027
Total, private nonfarm .....	1,265	745	637	1,100	137,706	63,876	63,102	117,231
Mining .....	5	( <sup>2</sup> )	( <sup>2</sup> )	8	343	( <sup>2</sup> )	( <sup>2</sup> )	946
Utilities .....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
Construction .....	143	75	65	126	11,422	5,266	4,160	9,512
Manufacturing .....	438	194	189	371	53,741	17,698	25,808	48,121
Food .....	96	28	56	78	10,034	2,797	4,848	9,049
Beverage and tobacco products .....	16	4	3	16	1,237	216	271	1,316
Textile mills .....	9	10	6	10	1,533	1,313	701	1,041
Textile product mills .....	8	( <sup>2</sup> )	4	8	881	( <sup>2</sup> )	438	732
Apparel .....	25	12	9	18	2,592	898	1,878	1,338
Leather and allied products .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Wood products .....	15	7	4	15	1,163	566	268	2,600
Paper .....	12	3	4	9	1,049	193	369	580
Printing and related support activities .....	11	6	-	8	998	447	-	548
Petroleum and coal products .....	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
Chemicals .....	7	3	( <sup>2</sup> )	6	546	189	( <sup>2</sup> )	380
Plastics and rubber products .....	16	9	12	18	1,390	614	976	1,451
Nonmetallic mineral products .....	13	4	8	10	1,193	369	759	779
Primary metals .....	29	10	( <sup>2</sup> )	15	3,444	740	( <sup>2</sup> )	2,312
Fabricated metal products .....	23	21	11	18	2,093	2,031	794	1,855
Machinery .....	35	15	11	19	7,212	1,946	1,118	4,224
Computer and electronic products .....	26	12	11	18	2,361	963	742	1,416
Electrical equipment and appliances .....	11	4	5	17	2,493	293	3,211	2,573
Transportation equipment .....	55	30	21	58	10,229	2,846	7,400	12,733
Furniture and related products .....	15	4	10	13	1,995	394	912	1,637
Miscellaneous manufacturing .....	11	7	10	11	883	534	842	1,027
Wholesale trade .....	22	11	14	11	1,760	749	1,028	1,412
Retail trade .....	115	98	68	98	21,870	8,752	5,974	8,550
Transportation and warehousing .....	37	52	21	34	3,003	5,130	1,692	2,608
Information .....	52	37	26	36	7,755	4,909	3,455	7,597
Finance and insurance .....	35	29	16	33	2,541	2,117	1,211	2,914
Real estate and rental and leasing .....	12	( <sup>2</sup> )	( <sup>2</sup> )	10	718	( <sup>2</sup> )	( <sup>2</sup> )	697
Professional and technical services .....	30	21	19	24	2,447	1,641	1,709	3,994
Management of companies and enterprises .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Administrative and waste services .....	233	124	106	188	21,380	10,220	10,255	15,202
Educational services .....	( <sup>2</sup> )	5	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	368	( <sup>2</sup> )	( <sup>2</sup> )
Health care and social assistance .....	37	32	15	34	2,407	2,117	975	2,793
Arts, entertainment, and recreation .....	28	7	21	30	2,039	459	1,366	2,424
Accommodation and food services .....	62	41	61	82	5,176	2,581	4,173	9,152
Other services, except public administration .....	7	12	8	6	459	1,486	525	482
Unclassified .....	5	2	1	3	343	72	71	309
Government .....	70	40	39	65	7,527	3,739	4,055	5,516
Federal .....	20	8	5	22	1,649	602	364	2,185
State .....	16	8	3	19	1,383	800	233	1,648
Local .....	34	24	31	24	4,495	2,337	3,458	1,683

<sup>1</sup> For October 2004, data were reported by all states and the District of Columbia, except Vermont.

<sup>P</sup> = preliminary.

NOTE: Dash represents zero.

<sup>2</sup> 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			
	October 2003	August 2004	September 2004 <sup>P</sup>	October 2004 <sup>P</sup>	October 2003	August 2004	September 2004 <sup>P</sup>	October 2004 <sup>P</sup>
United States <sup>1</sup> .....	1,523	809	708	1,241	158,240	69,033	68,972	127,774
Northeast .....	184	166	101	188	17,061	17,163	8,801	17,419
New England .....	16	14	9	16	1,157	1,274	637	1,201
Middle Atlantic .....	168	152	92	172	15,904	15,889	8,164	16,218
South .....	278	217	204	323	29,371	16,351	19,467	30,246
South Atlantic .....	134	116	123	190	13,270	7,914	10,152	15,237
East South Central .....	44	41	41	58	5,310	3,759	5,643	5,750
West South Central .....	100	60	40	75	10,791	4,678	3,672	9,259
Midwest .....	325	151	125	280	43,432	14,653	16,380	35,859
East North Central .....	264	125	99	219	27,841	11,886	13,827	26,965
West North Central .....	61	26	26	61	15,591	2,767	2,553	8,894
West .....	736	275	278	450	68,376	20,866	24,324	44,250
Mountain .....	47	17	15	43	4,038	1,099	1,163	3,610
Pacific .....	689	258	263	407	64,338	19,767	23,161	40,640

<sup>1</sup> See footnote 1, table 2.

<sup>P</sup> = 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			
	October 2003	August 2004	September 2004 <sup>P</sup>	October 2004 <sup>P</sup>	October 2003	August 2004	September 2004 <sup>P</sup>	October 2004 <sup>P</sup>
Total <sup>1</sup> .....	1,523	809	708	1,241	158,240	69,033	68,972	127,774
Alabama .....	13	10	18	12	1,671	1,080	1,793	1,477
Alaska .....	3	( <sup>2</sup> )	( <sup>2</sup> )	5	295	( <sup>2</sup> )	( <sup>2</sup> )	423
Arizona .....	8	5	—	11	700	353	—	868
Arkansas .....	6	3	( <sup>2</sup> )	3	1,140	261	( <sup>2</sup> )	642
California .....	616	246	246	346	57,322	18,768	21,752	34,896
Colorado .....	8	( <sup>2</sup> )	3	10	581	( <sup>2</sup> )	199	829
Connecticut .....	3	4	( <sup>2</sup> )	( <sup>2</sup> )	200	268	( <sup>2</sup> )	( <sup>2</sup> )
Delaware .....	( <sup>2</sup> )	—	—	—	( <sup>2</sup> )	—	—	—
District of Columbia .....	—	—	—	—	—	—	—	—
Florida .....	66	78	86	143	4,608	4,842	6,349	9,737
Georgia .....	23	21	11	16	2,838	1,827	815	1,977
Hawaii .....	6	( <sup>2</sup> )	( <sup>2</sup> )	4	462	( <sup>2</sup> )	( <sup>2</sup> )	260
Idaho .....	10	5	3	3	1,203	266	331	281
Illinois .....	74	30	26	56	7,890	3,358	2,567	8,019
Indiana .....	22	19	19	24	2,118	1,707	2,767	2,235
Iowa .....	18	5	6	12	3,680	491	764	1,645
Kansas .....	6	4	4	5	738	587	380	398
Kentucky .....	23	15	11	27	3,136	1,182	2,892	2,792
Louisiana .....	12	16	5	11	1,045	1,155	402	714
Maine .....	3	( <sup>2</sup> )	—	3	180	( <sup>2</sup> )	—	207
Maryland .....	4	( <sup>2</sup> )	5	5	256	( <sup>2</sup> )	529	544
Massachusetts .....	9	7	6	6	713	678	439	437
Michigan .....	42	25	23	40	4,263	2,409	5,997	3,768
Minnesota .....	17	7	6	15	2,845	897	441	1,390
Mississippi .....	4	6	3	10	200	613	314	615
Missouri .....	18	6	3	21	8,165	540	195	4,723
Montana .....	5	—	—	5	360	—	—	545
Nebraska .....	( <sup>2</sup> )	( <sup>2</sup> )	6	7	( <sup>2</sup> )	( <sup>2</sup> )	646	666
Nevada .....	10	4	7	10	835	302	471	755
New Hampshire .....	( <sup>2</sup> )	( <sup>2</sup> )	—	4	( <sup>2</sup> )	( <sup>2</sup> )	—	292
New Jersey .....	27	26	11	35	2,906	2,979	1,630	3,294
New Mexico .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
New York .....	44	73	31	52	3,855	8,063	2,950	5,263
North Carolina .....	19	9	10	5	2,039	577	712	417
North Dakota .....	—	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	—	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Ohio .....	66	23	16	54	7,316	1,822	1,352	8,193
Oklahoma .....	12	( <sup>2</sup> )	( <sup>2</sup> )	6	1,614	( <sup>2</sup> )	( <sup>2</sup> )	1,382
Oregon .....	39	( <sup>2</sup> )	6	29	3,784	( <sup>2</sup> )	370	2,536
Pennsylvania .....	97	53	50	85	9,143	4,847	3,584	7,661
Rhode Island .....	—	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	—	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
South Carolina .....	7	( <sup>2</sup> )	6	10	706	( <sup>2</sup> )	921	688
South Dakota .....	—	—	—	—	—	—	—	—
Tennessee .....	4	10	9	9	303	884	644	866
Texas .....	70	40	32	55	6,992	3,201	2,965	6,521
Utah .....	( <sup>2</sup> )	—	( <sup>2</sup> )	—	( <sup>2</sup> )	—	( <sup>2</sup> )	—
Vermont .....	—	—	—	( <sup>1</sup> )	—	—	—	( <sup>1</sup> )
Virginia .....	14	4	5	9	1,376	272	826	1,555
Washington .....	25	8	7	23	2,475	753	819	2,525
West Virginia .....	—	( <sup>2</sup> )	—	( <sup>2</sup> )	—	( <sup>2</sup> )	—	( <sup>2</sup> )
Wisconsin .....	60	28	15	45	6,254	2,590	1,144	4,750
Wyoming .....	3	—	—	3	216	—	—	268
Puerto Rico .....	7	9	30	8	567	803	4,059	693

<sup>1</sup> See footnote 1, table 2.

<sup>P</sup> = preliminary.

<sup>2</sup> Data do not meet BLS or state agency disclosure standards.

NOTE: Dash represents zero.