



Technical information:
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USDL 03-506

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For release: 10:00 A.M. EDT
Thursday, September 25, 2003

MASS LAYOFFS IN AUGUST 2003

Employers initiated 1,258 mass layoff actions in August 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 133,839. (See table 1.) Compared with August 2002, both the number of layoff events and the number of initial claims increased, marking the first over-the-year increase in mass-layoff initial claims since May 2002. From January through August 2003, the total number of events, at 13,205, was higher than for the same period a year ago, while the number of initial claims, at 1,316,863, was lower.

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.

Industry Distribution

Temporary help services, with 9,787 claims, accounted for over 7 percent of all initial claims in August. (See table A.) Five of the 10 industries reporting the highest number of mass-layoff initial claims recorded their peak level for August this year.

The manufacturing sector accounted for 32 percent of all mass layoff events and 39 percent of all initial claims filed in August, little changed from a year ago (34 and 38 percent, respectively). Within manufacturing, the number of claimants was highest in transportation equipment (9,476, mainly automotive-related), followed by textile mills (7,154), machinery (6,606), and food manufacturing (5,803). (See table 2.)

The administrative and waste services sector accounted for 13 percent of events and 12 percent of initial claims filed in August, with layoffs mostly in temporary help services. Retail trade accounted for 8 percent of events and 7 percent of initial claims during the month, mainly in general merchandise stores. Four percent of the events and 7 percent of the initial claims were from the information sector, largely from motion picture and sound recording. Transportation and warehousing accounted for 7 percent of all layoff events and initial claims filed during August, primarily from school and employee bus transportation. Layoffs in construction

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

Industry	Initial claims	August peak	
		Year	Initial claims
Temporary help services	9,787	1999	11,533
Motion picture and video production	6,812	2003	6,812
School and employee bus transportation.....	6,538	2003	6,538
Broadwoven fabric mills	5,803	2003	5,803
Automobile manufacturing	3,216	2001	8,166
Professional employer organizations	2,303	2002	2,855
Discount department stores	2,193	2002	2,271
Elementary and secondary schools	2,020	2003	2,020
Department stores, except discount	1,844	1996	2,151
Farm machinery and equipment	1,661	2003	1,661

p=preliminary.

accounted for an additional 9 percent of events and 6 percent of initial claims, mostly from specialty trade contractors.

Government establishments accounted for 5 percent of events and 6 percent of initial claims filed during the month, particularly in local executive, legislative, and general government agencies. The 7,573 initial claims in this sector were the most for any August since the program began in 1995.

Compared with August 2002, the largest increases in initial claims were reported in textile mills (+5,977) and motion picture and sound recording (+5,409). The largest over-the-year decrease in initial claims was reported in computer and electronic products (-3,527).

Geographic Distribution

Among the four regions, the highest number of initial claims in August due to mass layoffs was reported in the West, 47,022. (See table 3.) Administrative and support services and motion picture and sound recording accounted for 35 percent of all initial claims in that region during the month. The South followed, with 34,673 initial claims, then the Midwest, with 30,872, and the Northeast, with 21,272.

The number of initial claimants in mass layoffs rose over the year in three of the four regions, with the largest increase in the West (+3,877). The Northeast had the only over-the-year decrease (-3,906). Five of the nine geographic divisions had over-the-year increases in the number of initial claims associated with mass layoffs, with the largest increases in the East North Central (+4,499) and East South Central (+4,459). The West South Central division had the largest decrease (-5,861).

California recorded the largest number of initial claims filed in mass layoff events this August, 37,814, mostly in administrative and support services and in motion picture and sound recording. New York reported 10,633 initial claims, followed by Illinois (7,996), North Carolina (6,680), Texas (6,571), and Ohio (6,389). These six states accounted for 55 percent of all layoff events and 57 percent of initial claims for unemployment insurance. (See table 4.)

North Carolina reported the largest over-the-year increase in the number of initial claims (+3,576), followed by California (+3,224) and Alabama (+3,049). The largest over-the-year decrease occurred in Texas (-5,089).

From January through August, California reported 322,669 initial claims, 25 percent of the national total. The states with the next highest numbers of initial claims were Pennsylvania (80,979), Ohio (75,412), New York (71,248), and Texas (65,529).

The report on Mass Layoffs in September 2003 is schedule to be released on Thursday, October 23, 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, July 2001 to August 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						
July	2,117	273,807				
August	1,490	166,148				
September	1,327	160,402				
Third Quarter	4,934	600,357	1,815	371,541	36.8	61.9
October	1,831	215,483				
November	2,721	295,956				
December	2,440	268,893				
Fourth Quarter	6,992	780,332	2,697	502,502	38.6	64.4
2002						
January	2,146	263,777				
February	1,382	138,808				
March	1,460	161,316				
First Quarter	4,988	563,901	1,750	316,489	35.1	56.1
April	1,506	165,814				
May	1,723	179,799				
June	1,584	162,189				
Second Quarter	4,813	507,802	1,905	353,017	39.6	69.5
July	2,042	245,294				
August	1,248	128,103				
September	1,062	124,522				
Third Quarter	4,352	497,919	1,383	284,511	31.8	57.1
October	1,497	171,100				
November	^r 2,153	^r 240,171				
December	2,474	264,158				
Fourth Quarter	^r 6,124	^r 675,429	2,257	421,025	36.9	62.3
2003						
January	2,315	225,430				
February	1,363	^r 124,965				
March	1,207	113,026				
First Quarter	4,885	^r 463,421	1,700	329,153	34.8	71.0
April	1,581	161,412				
May	1,703	174,204				
June	1,691	157,552				
Second Quarter	4,975	493,168	^{2,p} 1,894	^{2,p} 285,884	^p 38.1	^p 58.0
July ^p	2,087	226,435				
August ^p	1,258	133,839				

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.

^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			
	August 2002	June 2003	July 2003 ^P	August 2003 ^P	August 2002	June 2003	July 2003 ^P	August 2003 ^P
Total ¹	1,248	1,691	2,087	1,258	128,103	157,552	226,435	133,839
Total, private	1,190	1,397	1,932	1,201	122,129	132,185	215,170	126,266
Agriculture, forestry, fishing and hunting	39	61	117	38	2,255	4,442	8,269	2,135
Mining	10	4	7	4	701	591	505	283
Utilities	(²)	3	-	(²)	(²)	315	-	(²)
Construction	98	95	88	114	8,241	6,238	5,970	7,862
Manufacturing.....	427	389	946	405	48,668	40,845	136,410	52,620
Food	47	59	74	42	5,150	5,829	6,460	5,803
Beverage and tobacco products	5	(²)	8	(²)	405	(²)	614	(²)
Textile mills	12	18	27	21	1,177	1,970	2,828	7,154
Textile product mills	(²)	10	12	8	(²)	1,581	1,048	739
Apparel	24	19	36	25	3,127	1,584	3,093	2,255
Leather and allied products	(²)	6	(²)	(²)	(²)	692	(²)	(²)
Wood products	11	9	31	21	1,198	711	3,976	1,773
Paper	8	9	16	13	741	1,202	1,035	1,083
Printing and related support activities	5	14	12	4	558	1,053	723	231
Petroleum and coal products	-	(²)	(²)	-	-	(²)	(²)	-
Chemicals	(²)	9	15	7	(²)	878	1,332	549
Plastics and rubber products	16	19	90	24	1,368	3,233	11,122	2,203
Nonmetallic mineral products	12	10	30	6	1,334	828	3,954	463
Primary metals	25	29	66	23	2,856	2,226	8,676	1,988
Fabricated metal products	33	23	59	32	3,136	1,728	6,235	2,806
Machinery	50	30	65	39	9,197	3,062	8,669	6,606
Computer and electronic products	74	35	60	34	6,202	3,464	5,534	2,675
Electrical equipment and appliances	23	13	33	21	3,082	2,088	5,445	2,564
Transportation equipment	50	51	265	50	6,606	6,367	60,173	9,476
Furniture and related products	11	15	20	21	888	1,363	2,391	2,513
Miscellaneous manufacturing	13	6	19	11	931	572	1,648	1,351
Wholesale trade	23	25	36	18	2,357	1,597	2,776	1,322
Retail trade	112	100	108	99	11,410	9,640	9,065	9,980
Transportation and warehousing	68	135	84	86	8,140	15,035	7,489	9,025
Information	45	54	44	51	4,006	5,954	3,700	9,114
Finance and insurance	26	23	35	41	2,161	1,730	2,569	3,113
Real estate and rental and leasing	11	7	11	4	647	485	751	349
Professional and technical services	47	36	53	41	6,455	3,357	4,970	3,775
Management of companies and enterprises	-	4	4	(²)	-	725	438	(²)
Administrative and waste services	179	175	212	168	18,192	15,596	18,427	16,242
Educational services.....	(²)	12	25	7	(²)	961	1,714	592
Health care and social assistance	27	123	59	32	1,738	10,226	4,048	2,427
Arts, entertainment, and recreation	17	25	27	19	1,422	1,383	2,559	1,386
Accommodation and food services	38	83	50	45	2,702	9,975	3,764	3,228
Other services, except public administration.....	13	41	19	22	1,745	2,937	1,115	2,234
Unclassified	3	2	7	4	737	153	631	259
Government	58	294	155	57	5,974	25,367	11,265	7,573
Federal	15	9	10	10	2,056	841	899	1,287
State	12	22	24	16	1,596	1,699	1,527	1,766
Local	31	263	121	31	2,322	22,827	8,839	4,520

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: 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			
	August 2002	June 2003	July 2003 ^p	August 2003 ^p	August 2002	June 2003	July 2003 ^p	August 2003 ^p
United States ¹	1,248	1,691	2,087	1,258	128,103	157,552	226,435	133,839
Northeast	195	275	336	220	25,178	29,032	30,187	21,272
New England	27	55	69	25	3,897	5,732	6,148	2,151
Middle Atlantic	168	220	267	195	21,281	23,300	24,039	19,121
South	308	461	440	330	31,764	41,019	48,895	34,673
South Atlantic	159	243	200	164	13,884	18,913	22,033	18,195
East South Central	30	78	128	68	3,574	9,495	14,232	8,033
West South Central	119	140	112	98	14,306	12,611	12,630	8,445
Midwest	251	310	697	239	28,016	33,819	101,533	30,872
East North Central	186	238	589	199	21,208	24,398	79,361	25,707
West North Central	65	72	108	40	6,808	9,421	22,172	5,165
West	494	645	614	469	43,145	53,682	45,820	47,022
Mountain	39	68	53	42	3,956	5,827	4,179	4,080
Pacific	455	577	561	427	39,189	47,855	41,641	42,942

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			
	August 2002	June 2003	July 2003 ^P	August 2003 ^P	August 2002	June 2003	July 2003 ^P	August 2003 ^P
Total ¹	1,248	1,691	2,087	1,258	128,103	157,552	226,435	133,839
Alabama	5	21	45	24	691	3,882	5,466	3,740
Alaska	(²)	4	-	(²)	(²)	439	-	(²)
Arizona	7	17	20	10	485	1,282	1,634	703
Arkansas	(²)	9	8	(²)	(²)	653	621	(²)
California	415	526	517	383	34,590	42,918	37,033	37,814
Colorado	7	11	7	(²)	573	884	478	(²)
Connecticut	4	9	12	3	588	1,296	833	237
Delaware	-	4	3	3	-	266	1,430	598
District of Columbia	-	(²)	(²)	(²)	-	(²)	(²)	(²)
Florida	72	117	76	80	5,154	8,488	5,356	5,554
Georgia	17	43	53	20	1,734	3,641	7,835	2,077
Hawaii	(²)	7	(²)	(²)	(²)	525	(²)	(²)
Idaho	10	8	9	11	1,708	629	957	1,500
Illinois	51	44	85	50	6,185	4,231	11,117	7,996
Indiana	23	36	86	29	2,954	3,912	18,688	3,478
Iowa	10	10	24	10	939	1,186	4,674	1,650
Kansas	11	11	14	6	1,378	2,198	1,800	775
Kentucky	14	28	57	21	2,032	3,087	7,110	2,377
Louisiana	19	28	20	17	1,513	2,308	2,299	1,215
Maine	-	6	3	(²)	-	388	178	(²)
Maryland	8	11	16	5	898	950	1,149	422
Massachusetts	17	32	43	15	2,132	3,230	3,947	1,388
Michigan	26	39	190	11	2,535	3,541	21,647	2,369
Minnesota	11	20	18	6	1,243	1,898	2,127	505
Mississippi	3	7	8	8	176	547	460	571
Missouri	28	25	40	15	2,884	3,730	12,137	1,521
Montana	-	8	3	4	-	528	172	599
Nebraska	4	4	9	-	287	267	1,231	-
Nevada	11	14	10	11	891	1,597	694	915
New Hampshire	3	(²)	8	3	618	(²)	944	195
New Jersey	33	69	59	33	3,371	9,441	5,354	2,708
New Mexico	3	6	(²)	3	190	605	(²)	127
New York	86	46	92	94	11,213	4,194	8,253	10,633
North Carolina	27	24	11	32	3,104	1,918	1,298	6,680
North Dakota	(²)	-	(²)	(²)	(²)	-	(²)	(²)
Ohio	47	72	133	54	5,602	8,361	17,086	6,389
Oklahoma	5	13	9	6	1,008	1,188	1,947	603
Oregon	24	20	24	27	2,603	2,022	2,891	2,447
Pennsylvania	49	105	116	68	6,697	9,665	10,432	5,780
Rhode Island	(²)	(²)	3	(²)	(²)	(²)	246	(²)
South Carolina	19	12	17	10	1,238	1,039	1,815	870
South Dakota	-	(²)	(²)	(²)	-	(²)	(²)	(²)
Tennessee	8	22	18	15	675	1,979	1,196	1,345
Texas	93	90	75	74	11,660	8,462	7,763	6,571
Utah	(²)	4	(²)	(²)	(²)	302	(²)	(²)
Vermont	(²)	(²)	-	(²)	(²)	(²)	-	(²)
Virginia	15	27	21	13	1,693	2,189	2,981	1,887
Washington	14	20	18	14	1,856	1,951	1,579	1,714
West Virginia	(²)	(²)	(²)	-	(²)	(²)	(²)	-
Wisconsin	39	47	95	55	3,932	4,353	10,823	5,475
Wyoming	-	-	-	-	-	-	-	-
Puerto Rico	10	8	13	10	772	702	1,116	1,035

¹ See footnote 1, table 2.

^P = preliminary.

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

NOTE: Dash represents zero.