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MASS LAYOFFS IN SEPTEMBER 2002

Employers initiated 1,060 mass layoff actions in September 2002, as measured by new filings for unemployment insurance benefits during the month, according to 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 122,277. (See table 1.) A year earlier, in September 2001, there were 1,327 mass layoff events involving 160,402 workers. Over 9 percent of the initial claims in September 2002 were in general freight trucking (11,348), and an additional 6 percent were in the temporary help services industry (7,587). In January through September 2002, both the total number of events, at 14,150, and initial claims, at 1,567,505, were lower than in January-September 2001 (14,475 and 1,734,530, 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

Manufacturing industries accounted for 33 percent of all mass layoff events and 35 percent of all initial claims filed in September. A year earlier, layoffs in this sector accounted for 37 percent of events and 36 percent of initial claims. Within manufacturing, the number of initial claimants was highest in computer and electronic products (5,146, primarily in semiconductors and related devices), followed by transportation equipment (4,959) and food manufacturing (4,688). (See table 2.)

Six percent of all layoff events and 15 percent of all initial claims filed during the month were in transportation and warehousing, mostly in general long distance freight trucking. A year earlier, layoffs in this sector accounted for 5 percent of events and 6 percent of initial claims. Thirteen percent of the events and 11 percent of initial claims in September were from administrative and waste services, mostly in temporary help services. Retail trade accounted for 9 percent of events and 8 percent of initial claims, primarily in general merchandise stores. The information sector accounted for an additional 4 percent of events and 5 percent of initial claims, largely in motion picture and sound recording industries.

Government establishments accounted for 5 percent of events and of initial claims filed during the month, particularly in elementary and secondary schools.

Compared with September 2001, the largest decreases in initial claims were reported in accommodation services (-18,485), administrative and support services (-8,293), and transportation equipment manufacturing (-6,926). The largest over-the-year increases in initial claims were reported in truck transportation (+11,026) and in support activities for transportation (+4,117).

Geographic Distribution

Among the four regions, the highest number of initial claims in September due to mass layoffs was in the West, 51,216. (See table 3.) Administrative and support services, support activities for transportation, and trucking accounted for 30 percent of all initial claims in the West during the month. The South followed with 29,643 initial claims (mainly in administrative and support services), then the Midwest, with 25,437 (largely in truck transportation). The Northeast continued to report the lowest number of initial claims, with 15,981 (mostly in truck transportation).

The number of initial claimants in mass layoffs declined over the year in each of the four geographic regions, with the largest decreases occurring in the West (-21,825). The decline in the West was largely in accommodation services (hotels and motels). Six of the nine geographic divisions reported over-the-year declines in the number of initial claims associated with mass layoffs, with the largest declines in the Pacific (-12,689) and Mountain (-9,136) divisions. The largest increase (+454) was reported in the West North Central division.

California had the largest number of initial claims filed in mass layoff events this September, 39,691, mostly in administrative and support services, followed by Texas (8,280) and Illinois (6,707). These three states accounted for 45 percent of all layoff events and initial claims for unemployment insurance. (See table 4.) Thus far this year, 406,077 mass layoff initial claims were filed in California, 26 percent of the national total. The states with the next largest number of claims were Texas (96,233) and Pennsylvania (89,726).

California reported the largest over-the-year decrease in initial claims (-14,576), followed by Nevada (-9,629). The largest over-the-year increases occurred in Texas (+2,863) and Oregon (+2,674).

The report on Extended Mass Layoffs in the Third Quarter of 2002 will be issued on Wednesday, November 13, 2002.

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 2000 to September 2002

Date	Total mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates ¹	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
2000						
July	1,333	164,978				
August	751	97,215				
September	936	106,842				
Third Quarter	3,020	369,035	1,014	189,250	33.6	51.3
October	874	103,755				
November	1,697	216,514				
December	2,677	326,743				
Fourth Quarter	5,248	647,012	2,005	376,611	38.2	58.2
2001						
January	1,522	200,343				
February	1,501	172,908				
March	1,527	171,466				
First Quarter	4,550	544,717	1,765	340,210	38.8	62.5
April	1,450	176,265				
May	1,434	159,365				
June	2,107	253,826				
Second Quarter	4,991	589,456	2,072	401,168	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	370,620	36.8	61.7
October	1,831	215,483				
November	2,721	295,956				
December	2,440	268,893				
Fourth Quarter	6,992	780,332	2,698	500,925	38.6	64.2
2002						
January	2,146	263,821				
February	1,383	138,984				
March	1,460	161,336				
First Quarter	4,989	564,141	1,749	313,686	35.1	55.6
April	1,507	165,861				
May	1,726	180,007				
June	1,580	161,928				
Second Quarter	4,813	507,796	² P1,754	² P256,338	^P 36.4	^P 50.5
July	2,041	245,211				
August ^P	1,247	128,080				
September ^P	1,060	122,277				

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.

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

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	September 2001 ^f	July 2002	August 2002 ^p	September 2002 ^p	September 2001 ^f	July 2002	August 2002 ^p	September 2002 ^p
Total ¹	1,327	2,041	1,247	1,060	160,402	245,211	128,080	122,277
Total, private	1,292	1,936	1,189	1,006	156,240	235,558	122,106	116,292
Agriculture, forestry, fishing and hunting	78	118	39	51	5,079	8,734	2,255	3,801
Mining	3	12	10	7	345	1,450	701	513
Utilities	(²)	4	(²)	(²)	(²)	320	(²)	(²)
Construction	68	74	98	80	4,804	5,675	8,241	5,735
Manufacturing.....	485	908	427	350	58,544	135,313	48,733	42,228
Food	46	60	47	39	5,605	6,102	5,150	4,688
Beverage and tobacco products	4	(²)	5	7	251	(²)	405	454
Textile mills	26	33	12	17	3,754	4,795	1,177	2,585
Textile product mills	5	11	(²)	12	877	2,336	(²)	1,966
Apparel	39	34	24	19	3,869	3,196	3,127	2,225
Leather and allied products	7	6	(²)	3	642	378	(²)	240
Wood products	7	28	11	12	636	2,893	1,198	1,312
Paper	9	13	8	9	862	1,244	741	1,007
Printing and related support activities	9	13	5	7	802	1,331	558	650
Petroleum and coal products	-	(²)	-	-	-	(²)	-	-
Chemicals	12	14	(²)	8	951	1,451	(²)	952
Plastics and rubber products	10	71	16	15	1,257	10,080	1,368	1,322
Nonmetallic mineral products	11	18	12	5	1,068	2,813	1,334	410
Primary metals	25	64	25	20	2,733	7,651	2,862	2,273
Fabricated metal products	34	60	33	22	3,190	7,556	3,136	2,365
Machinery	51	76	50	28	8,315	12,778	9,197	3,657
Computer and electronic products	71	94	74	47	6,850	11,950	6,202	5,146
Electrical equipment and appliances	22	31	23	23	1,916	5,036	3,082	2,679
Transportation equipment	66	234	50	32	11,885	47,583	6,665	4,959
Furniture and related products	18	27	11	17	1,948	4,187	888	2,831
Miscellaneous manufacturing	13	17	13	8	1,133	1,699	931	507
Wholesale trade	30	29	23	20	2,297	3,017	2,357	1,708
Retail trade	74	93	111	93	7,498	10,412	11,322	9,851
Transportation and warehousing	63	71	68	68	8,905	6,658	8,140	18,070
Information	56	72	45	47	11,736	12,559	4,006	6,585
Finance and insurance	25	52	26	26	2,163	4,394	2,161	2,530
Real estate and rental and leasing	4	11	11	(²)	249	1,066	647	(²)
Professional and technical services	31	74	47	29	2,943	6,818	6,455	2,811
Management of companies and enterprises	(²)	3	-	(²)	(²)	323	-	(²)
Administrative and waste services	161	233	179	133	22,254	24,762	18,192	13,874
Educational services.....	(²)	15	(²)	5	(²)	1,239	(²)	369
Health care and social assistance	11	54	27	18	776	3,652	1,738	1,299
Arts, entertainment, and recreation	18	23	17	19	1,465	1,599	1,422	2,157
Accommodation and food services	163	70	38	48	24,821	5,930	2,702	3,955
Other services, except public administration.....	8	17	13	(²)	625	1,385	1,745	(²)
Unclassified	10	3	3	1	1,281	252	737	103
Government	35	105	58	54	4,162	9,653	5,974	5,985
Federal	9	6	15	9	901	781	2,056	1,703
State	10	17	12	10	1,078	1,315	1,596	980
Local	16	82	31	35	2,183	7,557	2,322	3,302

¹ For September 2002, data were reported by all states and the District of Columbia.

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

^p = preliminary.

^f = revised.

NOTE: Beginning with data for January 2002, the 2002 version of the North American Industry Classification System (NAICS) is the basis for the assignment and tabulation of economic data by industry. NAICS is the product of a cooperative effort on the part of

the statistical agencies of the United States, Canada, and Mexico. Due to differences in NAICS and SIC structures, data by industry for 2002 will not be comparable to the SIC-based data for earlier years. However, the monthly historical industry series from April 1995 to December 2001 are available on both SIC and NAICS bases. 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			
	September 2001	July 2002	August 2002 ^p	September 2002 ^p	September 2001	July 2002	August 2002 ^p	September 2002 ^p
United States ¹	^r 1,327	2,041	1,247	1,060	^r 160,402	245,211	128,080	122,277
Northeast	220	315	195	158	23,678	35,012	25,178	15,981
New England	30	68	27	21	2,785	7,000	3,897	1,919
Middle Atlantic	190	247	168	137	20,893	28,012	21,281	14,062
South	^r 309	485	308	257	^r 32,246	56,170	31,764	29,643
South Atlantic	170	202	159	127	17,272	22,290	13,884	14,161
East South Central	54	137	30	51	5,591	16,850	3,574	5,877
West South Central	^r 85	146	119	79	^r 9,383	17,030	14,306	9,605
Midwest	221	574	251	177	31,437	89,068	28,016	25,437
East North Central	182	468	186	134	26,358	66,354	21,208	19,904
West North Central	39	106	65	43	5,079	22,714	6,808	5,533
West	577	667	493	468	73,041	64,961	43,122	51,216
Mountain	61	66	38	35	13,245	6,399	3,933	4,109
Pacific	516	601	455	433	59,796	58,562	39,189	47,107

¹ See footnote 1, table 2.

^p = preliminary.

^r = revised.

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			
	September 2001	July 2002	August 2002 ^p	September 2002 ^p	September 2001	July 2002	August 2002 ^p	September 2002 ^p
Total ¹	^r 1,327	2,041	1,247	1,060	^r 160,402	245,211	128,080	122,277
Alabama	12	56	5	16	1,067	7,290	691	2,174
Alaska	(²)	–	(²)	(²)	(²)	–	(²)	(²)
Arizona	7	28	7	9	506	2,528	485	1,618
Arkansas	8	11	(²)	4	807	999	(²)	421
California	465	545	415	376	54,267	52,556	34,590	39,691
Colorado	8	15	7	6	787	1,658	573	561
Connecticut	(²)	6	4	4	(²)	598	588	262
Delaware	(²)	4	–	–	(²)	642	–	–
District of Columbia	5	(²)	–	(²)	704	(²)	–	(²)
Florida	75	92	72	55	5,575	6,405	5,154	4,143
Georgia	14	9	17	14	1,505	824	1,734	2,404
Hawaii	16	3	(²)	4	2,108	256	(²)	428
Idaho	6	7	10	4	763	864	1,708	287
Illinois	60	62	51	41	9,708	9,521	6,185	6,707
Indiana	20	72	23	16	3,241	11,367	2,954	2,512
Iowa	13	25	10	9	2,041	6,494	939	1,673
Kansas	4	15	11	3	706	3,701	1,378	196
Kentucky	26	59	14	16	3,033	7,580	2,032	1,773
Louisiana	^r 13	18	19	12	^r 1,680	1,294	1,513	761
Maine	–	(²)	–	(²)	–	(²)	–	(²)
Maryland	3	11	8	7	175	1,225	898	815
Massachusetts	21	44	17	12	1,910	4,130	2,132	988
Michigan	43	144	26	14	6,062	15,700	2,535	1,544
Minnesota	6	16	11	9	507	1,702	1,243	1,142
Mississippi	5	5	3	6	335	583	176	782
Missouri	15	42	28	15	1,672	9,917	2,884	1,886
Montana	(²)	(²)	–	–	(²)	(²)	–	–
Nebraska	–	8	4	6	–	900	287	583
Nevada	34	11	11	13	10,762	991	891	1,133
New Hampshire	3	5	3	3	182	696	618	514
New Jersey	23	44	33	29	2,348	5,367	3,371	3,424
New Mexico	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
New York	77	88	86	49	9,427	9,715	11,213	5,137
North Carolina	10	23	27	11	805	2,244	3,104	1,208
North Dakota	(²)	–	(²)	–	(²)	–	(²)	–
Ohio	30	98	47	34	3,983	15,236	5,602	5,468
Oklahoma	6	20	5	(²)	1,479	2,757	1,008	(²)
Oregon	14	27	24	30	1,291	2,829	2,603	3,965
Pennsylvania	90	115	49	59	9,118	12,930	6,697	5,501
Rhode Island	(²)	9	(²)	(²)	(²)	1,163	(²)	(²)
South Carolina	45	35	19	18	5,904	6,590	1,238	2,220
South Dakota	–	–	–	(²)	–	–	–	(²)
Tennessee	11	17	8	13	1,156	1,397	675	1,148
Texas	58	97	93	62	5,417	11,980	11,660	8,280
Utah	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Vermont	3	3	(²)	–	487	353	(²)	–
Virginia	14	24	15	19	2,282	3,974	1,693	3,092
Washington	19	26	14	21	1,986	2,921	1,856	2,889
West Virginia	3	3	(²)	(²)	209	308	(²)	(²)
Wisconsin	29	92	39	29	3,364	14,530	3,932	3,673
Wyoming	–	–	–	–	–	–	–	–
Puerto Rico	9	11	10	9	831	2,251	772	873

¹ See footnote 1, table 2.

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

^p = preliminary.

^r = revised.

NOTE: Dash represents zero.