

# News

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## MASS LAYOFFS IN MARCH 2003

Employers initiated 1,170 mass layoff actions in March 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 109,838. (See table 1.) These were the lowest levels for the month of March since 2000. Over 8 percent of the initial claims in March were from the temporary help services industry (9,138). Compared with March 2002, the number of layoff events declined by 20 percent and the number of workers involved fell by 32 percent. (March 2003 contained 4 weeks for possible mass layoffs, compared with 5 weeks in each March of the prior 3 years.) This was the 10th consecutive month that the number of mass layoff initial claims has declined over the year. From January through March 2003, the total number of events, at 4,767, and initial claims, at 450,312, were lower than in January-March 2002 (4,989 and 564,141, 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

The 10 industries in table A accounted for 30,955, or 28 percent, of mass-layoff initial claims in March. Temporary help services, with 9,138 claims, had over 8 percent.

Manufacturing industries accounted for 33 percent of all mass layoff events and 37 percent of all initial claims filed in March, little changed from a year earlier (34 percent and 37 percent, respectively). The number of initial claimants was highest in food production (7,520, largely in frozen fruits and vegetables), followed by computer and electronic products (5,298) and transportation equipment (5,061). (See table 2.)

The administrative and waste services sector accounted for 13 percent of events and initial claims filed during the month, with layoffs mostly in temporary help services. Eight percent of all layoff events and 9 percent of initial claims filed during the month were in retail trade, primarily in general merchandise stores. Ten percent of the events and 7 percent of the initial claims were from construction, most often among specialty trade contractors. The accommodation and food services sector accounted for 6 percent of events

**Table A. Industries with largest mass layoff initial claims in March 2003<sup>p</sup>**

Industry	Initial claims	March peak	
		Year	Initial claims
Temporary help services .....	9,138	2002	14,338
Motion picture and video production .....	4,751	2000	6,735
Food service contractors .....	3,011	2002	4,304
School and employee bus transportation .....	2,633	2002	6,158
Discount department stores .....	2,460	2003	2,460
Farm labor contractors and crew leaders .....	2,131	2000	6,500
Professional employer organizations .....	2,017	2002	2,987
Frozen fruit and vegetable manufacturing .....	1,673	1997	2,560
Supermarkets and other grocery stores .....	1,593	2002	1,884
Department stores, except discount .....	1,548	1999	3,799

p=preliminary.

and initial claims, mostly from food service contractors. The information sector accounted for an additional 4 percent of events and 6 percent of initial claims during the month, largely in motion picture and video production.

Government establishments accounted for 4 percent of events and 3 percent of initial claims filed during the month, particularly in educational services.

Compared with March 2002, the largest decreases in initial claims were reported in administrative and support services (-7,475) and professional and technical services (-5,206). The largest over-the-year increase in initial claims was reported in motion picture and sound industries (+2,590).

#### Geographic Distribution

Among the four regions, the highest number of initial claims in March due to mass layoffs was reported in the West, 46,815. (See table 3.) Administrative and support services and motion picture and sound recording accounted for 28 percent of all initial claims in the West during the month. The Midwest followed with 26,239 initial claims. These were the lowest March totals for both the West and Midwest since 1999. The South, at 21,554, and the Northeast, at 15,230, each had the lowest levels of initial claims for a March since 2000.

For the second consecutive year, the number of initial claimants in mass layoffs declined in each of the four regions. The largest decrease occurred in the Midwest (-16,252), followed closely by the South (-15,737) and West (-14,296) regions. Each of the nine geographic divisions had over-the-year decreases in the number of initial claims associated with mass layoffs, with the largest declines in the Pacific (-13,706) and East North Central divisions (-13,112).

California had the largest number of initial claims filed in mass layoff events this March, 36,360, mostly in temporary help services and in motion picture and video production. This was the lowest March total since 1998. Pennsylvania reported 7,419, followed by Wisconsin (5,123) and Texas (5,051). These four states accounted for 51 percent of all layoff events and 49 percent of initial claims for unemployment insurance. (See table 4.)

California reported the largest over-the-year decrease in the number of initial claims (-12,016), followed by Michigan (-5,635), Wisconsin (-4,815), Pennsylvania (-4,712), and Texas (-4,644). The largest over-the-year increases occurred in Indiana (+2,614) and New York (+2,003).

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The report on Mass Layoffs in April 2003 will be issued on Thursday, May 29, 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, January 2001 to March 2003**

Date	Total mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates <sup>1</sup>	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
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	401,270	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	370,942	36.8	61.8
October .....	1,831	215,483				
November .....	2,721	295,956				
December .....	2,440	268,893				
Fourth Quarter .....	6,992	780,332	2,698	<sup>r</sup> 502,662	38.6	64.4
2002						
January .....	2,146	263,821				
February .....	1,383	138,984				
March .....	1,460	161,336				
First Quarter .....	4,989	564,141	1,748	<sup>r</sup> 315,819	35.0	<sup>r</sup> 56.0
April .....	1,507	165,861				
May .....	1,726	180,007				
June .....	1,580	161,928				
Second Quarter .....	4,813	507,796	1,905	<sup>r</sup> 352,183	39.6	<sup>r</sup> 69.4
July .....	2,041	245,211				
August .....	1,247	128,080				
September .....	1,062	124,512				
Third Quarter .....	4,350	497,803	<sup>r</sup> 1,383	<sup>r</sup> 274,576	<sup>r</sup> 31.8	<sup>r</sup> 55.2
October .....	1,497	171,088				
November .....	2,150	240,028				
December .....	2,470	263,775				
Fourth Quarter .....	6,117	674,891	<sup>2</sup> <sup>p</sup> 2,127	<sup>2</sup> <sup>p</sup> 305,208	<sup>p</sup> 34.8	<sup>p</sup> 45.2
2003						
January .....	2,286	222,186				
February <sup>p</sup> .....	1,311	118,288				
March <sup>p</sup> .....	1,170	109,838				
First Quarter <sup>p</sup> .....	4,767	450,312				

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>p</sup> = preliminary.

<sup>r</sup> = revised.

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

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	March 2002	January 2003	February 2003 <sup>P</sup>	March 2003 <sup>P</sup>	March 2002	January 2003	February 2003 <sup>P</sup>	March 2003 <sup>P</sup>
Total <sup>1</sup> .....	1,460	2,286	1,311	1,170	161,336	222,186	118,288	109,838
Total, private .....	1,414	2,199	1,271	1,126	157,100	214,197	115,286	106,229
Agriculture, forestry, fishing and hunting .....	79	96	100	64	5,775	6,407	5,626	4,949
Mining .....	22	19	7	6	1,882	1,559	724	652
Utilities .....	7	8	-	( <sup>2</sup> )	727	561	-	( <sup>2</sup> )
Construction .....	150	263	194	122	11,826	18,571	13,282	7,431
Manufacturing.....	500	817	427	385	59,644	89,525	45,290	40,617
Food .....	74	89	59	71	9,070	8,111	5,475	7,520
Beverage and tobacco products .....	8	11	8	( <sup>2</sup> )	802	755	407	( <sup>2</sup> )
Textile mills .....	14	42	16	9	1,468	7,611	1,958	764
Textile product mills .....	( <sup>2</sup> )	18	7	5	( <sup>2</sup> )	1,890	571	432
Apparel .....	17	53	20	11	1,536	6,085	1,525	950
Leather and allied products .....	( <sup>2</sup> )	5	( <sup>2</sup> )	-	( <sup>2</sup> )	294	( <sup>2</sup> )	-
Wood products .....	19	56	28	34	2,319	6,702	2,291	2,982
Paper .....	18	19	13	8	2,688	2,510	999	659
Printing and related support activities .....	26	21	13	7	2,105	1,803	793	658
Petroleum and coal products .....	-	5	( <sup>2</sup> )	-	-	339	( <sup>2</sup> )	-
Chemicals .....	14	14	8	( <sup>2</sup> )	1,659	1,202	1,098	( <sup>2</sup> )
Plastics and rubber products .....	20	34	15	6	1,613	3,599	1,086	552
Nonmetallic mineral products .....	21	35	18	18	1,537	3,201	1,652	1,824
Primary metals .....	21	48	16	21	3,000	5,846	1,613	1,766
Fabricated metal products .....	34	58	34	23	3,319	5,664	2,622	1,680
Machinery .....	43	53	21	34	6,588	6,031	2,105	3,693
Computer and electronic products .....	65	78	41	42	6,902	6,800	3,671	5,298
Electrical equipment and appliances .....	26	30	19	26	3,602	2,920	3,159	3,787
Transportation equipment .....	46	85	53	44	8,531	12,057	10,535	5,061
Furniture and related products .....	19	36	24	14	1,772	4,003	2,702	1,727
Miscellaneous manufacturing .....	11	27	9	8	837	2,102	613	830
Wholesale trade .....	25	42	17	21	2,694	3,229	1,170	1,811
Retail trade .....	108	205	103	95	12,067	21,251	9,338	9,708
Transportation and warehousing .....	76	143	32	37	10,441	16,016	4,249	4,382
Information .....	36	67	53	49	4,456	5,902	5,133	6,855
Finance and insurance .....	32	46	23	32	2,697	3,854	1,723	2,074
Real estate and rental and leasing .....	9	7	9	8	629	408	745	483
Professional and technical services .....	50	44	31	38	8,260	6,269	4,084	3,054
Management of companies and enterprises .....	3	( <sup>2</sup> )	5	( <sup>2</sup> )	182	( <sup>2</sup> )	431	( <sup>2</sup> )
Administrative and waste services .....	185	269	164	153	21,704	26,190	14,776	14,242
Educational services.....	3	( <sup>2</sup> )	4	( <sup>2</sup> )	232	( <sup>2</sup> )	201	( <sup>2</sup> )
Health care and social assistance .....	22	26	19	21	1,671	1,811	1,401	1,381
Arts, entertainment, and recreation .....	13	29	15	12	1,013	2,060	1,447	663
Accommodation and food services .....	76	86	51	69	9,721	7,035	4,676	6,933
Other services, except public administration.....	7	27	11	4	609	3,097	629	280
Unclassified .....	11	2	6	3	870	172	361	284
Government .....	46	87	40	44	4,236	7,989	3,002	3,609
Federal .....	7	19	7	6	777	2,303	421	570
State .....	16	28	14	9	1,652	2,630	1,054	614
Local .....	23	40	19	29	1,807	3,056	1,527	2,425

<sup>1</sup> Data were reported by all states and the District of Columbia.

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

<sup>P</sup> = 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			
	March 2002	January 2003	February 2003 <sup>p</sup>	March 2003 <sup>p</sup>	March 2002	January 2003	February 2003 <sup>p</sup>	March 2003 <sup>p</sup>
United States <sup>1</sup> .....	1,460	2,286	1,311	1,170	161,336	222,186	118,288	109,838
Northeast .....	210	475	225	157	20,443	44,396	23,291	15,230
New England .....	33	68	26	29	2,995	6,928	2,758	2,987
Middle Atlantic .....	177	407	199	128	17,448	37,468	20,533	12,243
South .....	347	525	255	227	37,291	58,258	26,188	21,554
South Atlantic .....	157	288	142	109	16,644	32,616	15,410	9,362
East South Central .....	73	167	45	55	7,076	19,318	5,249	4,752
West South Central .....	117	70	68	63	13,571	6,324	5,529	7,440
Midwest .....	327	523	235	237	42,491	52,162	23,244	26,239
East North Central .....	253	401	181	174	32,058	41,608	16,279	18,946
West North Central .....	74	122	54	63	10,433	10,554	6,965	7,293
West .....	576	763	596	549	61,111	67,370	45,565	46,815
Mountain .....	52	73	27	47	4,841	6,136	2,857	4,251
Pacific .....	524	690	569	502	56,270	61,234	42,708	42,564

<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			
	March 2002	January 2003	February 2003 <sup>P</sup>	March 2003 <sup>P</sup>	March 2002	January 2003	February 2003 <sup>P</sup>	March 2003 <sup>P</sup>
Total <sup>1</sup> .....	1,460	2,286	1,311	1,170	161,336	222,186	118,288	109,838
Alabama .....	10	119	9	11	1,295	14,789	1,547	1,108
Alaska .....	—	7	( <sup>2</sup> )	—	—	471	( <sup>2</sup> )	—
Arizona .....	12	14	7	13	879	1,292	537	1,148
Arkansas .....	5	8	4	5	488	699	288	381
California .....	466	579	525	438	48,376	48,913	38,769	36,360
Colorado .....	10	16	6	9	845	1,540	535	1,126
Connecticut .....	4	16	3	5	377	1,508	190	412
Delaware .....	4	( <sup>2</sup> )	( <sup>2</sup> )	—	790	( <sup>2</sup> )	( <sup>2</sup> )	—
District of Columbia .....	—	4	—	—	—	350	—	—
Florida .....	64	83	59	60	5,689	5,767	4,459	4,188
Georgia .....	20	89	23	15	2,202	12,406	3,627	1,224
Hawaii .....	6	8	3	( <sup>2</sup> )	658	773	186	( <sup>2</sup> )
Idaho .....	13	19	4	13	1,628	1,478	996	1,187
Illinois .....	53	88	44	35	7,645	8,794	4,956	3,161
Indiana .....	21	34	28	37	2,212	3,011	2,267	4,826
Iowa .....	12	34	15	14	1,510	3,083	1,191	1,572
Kansas .....	7	15	5	9	1,357	1,108	2,056	1,449
Kentucky .....	31	20	14	21	3,354	2,512	2,174	2,124
Louisiana .....	19	19	16	8	1,501	1,240	1,043	402
Maine .....	4	8	( <sup>2</sup> )	( <sup>2</sup> )	226	1,201	( <sup>2</sup> )	( <sup>2</sup> )
Maryland .....	( <sup>2</sup> )	8	6	( <sup>2</sup> )	592	562	562	( <sup>2</sup> )
Massachusetts .....	15	33	18	16	1,652	3,162	1,620	1,263
Michigan .....	56	22	21	10	6,483	1,982	1,719	848
Minnesota .....	16	33	8	13	2,238	3,026	614	1,041
Mississippi .....	13	4	10	8	890	228	732	509
Missouri .....	29	30	15	23	4,109	2,351	1,922	2,930
Montana .....	3	3	( <sup>2</sup> )	( <sup>2</sup> )	264	204	( <sup>2</sup> )	( <sup>2</sup> )
Nebraska .....	9	7	6	( <sup>2</sup> )	1,133	539	830	( <sup>2</sup> )
Nevada .....	6	15	8	7	461	1,276	659	475
New Hampshire .....	3	5	—	( <sup>2</sup> )	247	623	—	( <sup>2</sup> )
New Jersey .....	35	49	31	17	3,749	4,372	3,772	1,253
New Mexico .....	3	5	—	( <sup>2</sup> )	176	294	—	( <sup>2</sup> )
New York .....	19	188	42	40	1,568	18,806	5,265	3,571
North Carolina .....	23	26	17	12	2,686	3,215	1,385	1,273
North Dakota .....	—	( <sup>2</sup> )	3	( <sup>2</sup> )	—	( <sup>2</sup> )	229	( <sup>2</sup> )
Ohio .....	52	151	46	40	5,780	16,689	4,097	4,988
Oklahoma .....	10	15	7	10	1,887	2,225	553	1,606
Oregon .....	27	66	24	41	3,507	7,672	2,036	4,336
Pennsylvania .....	123	170	126	71	12,131	14,290	11,496	7,419
Rhode Island .....	4	4	( <sup>2</sup> )	( <sup>2</sup> )	323	310	( <sup>2</sup> )	( <sup>2</sup> )
South Carolina .....	21	50	20	6	2,750	5,954	2,159	986
South Dakota .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Tennessee .....	19	24	12	15	1,537	1,789	796	1,011
Texas .....	83	28	41	40	9,695	2,160	3,645	5,051
Utah .....	5	( <sup>2</sup> )	—	( <sup>2</sup> )	588	( <sup>2</sup> )	—	( <sup>2</sup> )
Vermont .....	3	( <sup>2</sup> )	( <sup>2</sup> )	3	170	( <sup>2</sup> )	( <sup>2</sup> )	833
Virginia .....	16	24	13	14	1,794	3,266	1,263	1,392
Washington .....	25	30	15	21	3,729	3,405	1,511	1,745
West Virginia .....	7	3	( <sup>2</sup> )	( <sup>2</sup> )	571	174	( <sup>2</sup> )	( <sup>2</sup> )
Wisconsin .....	71	106	42	52	9,938	11,132	3,240	5,123
Wyoming .....	—	—	( <sup>2</sup> )	—	—	—	( <sup>2</sup> )	—
Puerto Rico .....	9	14	10	5	1,082	1,371	1,336	378

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

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

<sup>P</sup> = preliminary.

NOTE: Dash represents zero.