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### **JOB CUTS UP IN DECEMBER, AFTER HITTING 2016 LOW IN NOVEMBER; YEAR-END TOTAL DOWN 12% FROM 2015**

**CHICAGO, January 5, 2017** – The pace of downsizing ticked up slightly to close out 2016, as U.S.-based employers announced plans to shed 33,627 jobs from payrolls in December, according to the report released Thursday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

December job cuts were up 25 percent from November's 26,936, the lowest monthly total of 2016. The December total was well below the 43,910 job cuts averaged monthly throughout the year.

Last month's tally was 42 percent higher than the same month a year ago, when employers announced planned layoffs totaling 23,622, which was not only the lowest monthly total of 2015, but the lowest monthly total in more than 15 years.

December marked the third consecutive month in which job cuts remained significantly below the annual average. In all, just 91,303 planned job cuts were reported in the final quarter of 2016. That is the lowest quarterly total since Q2 of 2000, when employers announced only 81,568 planned layoffs.

Employers announced a total of 526,915 job cuts in 2016. That is 12 percent fewer than the 598,510 cuts tracked in 2015. The 2016 total sits below the 539,581 annual job cuts averaged since 2010, which marked the first year of recovery in the wake of the Great Recession.

The heaviest job cuts in 2016 occurred in the energy sector, which announced 107,714 layoffs during the year. That was up 14 percent from 2015, when these firms cut 94,409 job cuts.

Most of the energy cuts were announced in the first half of 2016, as the industry continued to suffer from historically low oil prices. Between January and June, layoffs in the sector totaled 77,211.

As prices started to recover in the second half of the year, job cuts declined sharply. Additionally, of the 30,503 energy cuts in the second half of 2016, about 20 percent came from companies in the renewable energy industry, including wind and solar. In contrast, cuts from renewable energy firms accounted for just under 11 percent of the 77,211 energy sector layoffs announced in the first half of the year.

“Oil prices are back on the rise. The new administration poised to take over the White House in January could further benefit the industry by relaxing regulations and drilling restrictions. Oil companies may once again start to expand in 2017. Ironically, the only obstacle in their way may be a shortage of skilled workers,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“When the last boom got underway, oil firms had the luxury of building their workforces amid high unemployment across the nation. Before the most recent downturn, drilling firms were already struggling to find workers. Now, they will have to rebuild their workforces at a time when unemployment nationwide is below 5.0 percent. In many areas, the rate is much lower. In fact, there are nearly 50 metropolitan areas with unemployment rates of 3.0 percent or lower,” said Challenger.

Job cuts were also up in the computer industry in 2016. These firms announced 66,821 job cuts during the year, 7.4 percent more than in 2015 (62,191).

Rounding out the top five job-cutting industries of the year were retail (59,324), industrial goods (33,435), and financial (22,015), each of which saw annual job cuts decline from the previous year.

“Last year appeared to be an adjustment year for many big tech firms. Long-time hardware makers, including IBM and Hewlett-Packard, are undergoing multi-year transformations that will ultimately shift their business away from hardware toward services. Others, including Microsoft, Dell and Intel, are shifting toward mobile while, at the same time, attempting to become more agile,” said Challenger.

“It is hard to say how the tech sector will do under the new administration. Many rely on offshoring as well as the employment of foreign talent immigrating to the U.S. Both of those business practices are likely to come under threat in the coming year. However, the new administration’s pro-business policies may ultimately favor these firms and many others. Only time will tell,” Challenger concluded.

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**TOP FIVE INDUSTRIES**

**Year To Date**

	<b>2016</b>	<b>2015</b>
<b>Energy</b>	107,714	94,409
<b>Computer</b>	66,821	62,191
<b>Retail</b>	59,324	65,858
<b>Industrial Goods</b>	33,435	57,625
<b>Financial</b>	22,015	28,409

**MONTH BY MONTH TOTALS**

	<b>2016</b>	<b>2015</b>
<b>January</b>	75,114	53,041
<b>February</b>	61,599	50,579
<b>March</b>	44,207	36,594
<b>April</b>	64,141	61,582
<b>May</b>	30,157	41,034
<b>June</b>	38,536	44,842
<b>July</b>	45,346	105,696
<b>August</b>	32,188	41,186
<b>September</b>	44,324	58,877
<b>October</b>	30,740	50,504
<b>November</b>	26,936	30,953
<b>December</b>	33,627	23,622
<b>TOTAL</b>	<b>526,915</b>	<b>598,510</b>

Some reductions are identified by employers as workers who will take early retirement offers or other special considerations to leave the company.

**LAYOFF LOCATION**

**Year To Date**

<b>Texas</b>	<b>104,261</b>
<b>California</b>	<b>84,224</b>
<b>Arkansas</b>	<b>26,244</b>
<b>New York</b>	<b>25,227</b>
<b>Illinois</b>	<b>23,028</b>

Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.

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**JOB CUTS BY INDUSTRY**

	15-Dec	16-Nov	16-Dec	Jan-Dec 2015	Jan-Dec 2016
Aerospace/Defense	430	728	2,286	11,940	14,153
Apparel	400	54	200	1,534	1,039
Automotive	1,966	2,542	4,705	16,435	19,283
Chemical	1,700	199	1,920	21,401	13,107
Commodities		207	9	503	3,033
Computer	675	1,677	633	62,191	66,821
Construction	54		133	1,258	1,431
Consumer Products	717	530	362	13,168	10,397
Education	589	248	65	19,274	19,545
Electronics	50	932	70	12,416	9,078
Energy	1,682	1,894	2,673	94,409	107,714
Entertainment/Leisure	1,617	472	1,200	13,965	18,262
Financial	5,177	2,030	598	28,409	22,015
Food	2,761	197	2,929	24,913	16,260
Government		841	3,498	70,029	18,653
Health Care/Products	793	1,369	1,695	25,021	18,725
Industrial Goods	2,780	2,279	1,779	57,625	33,435
Insurance	363	174	1,300	4,464	4,371
Legal	75			1,480	106
Media	108	2,527	104	5,179	7,792
Non-Profit	24	14	185	2,030	2,210
Pharmaceutical	312	744	959	10,755	9,940
Real Estate	121			528	722
Retail	249	4,850	1,355	65,858	59,324
Services	512		333	8,835	9,917
Telecommunications	241	1,405	1,197	4,708	20,118
Transportation	226	993	3,439	18,953	18,420
Utility		30		1,229	1,044
<b>TOTAL</b>	<b>23,622</b>	<b>26,936</b>	<b>33,627</b>	<b>598,510</b>	<b>526,915</b>

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**JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>DECEMBER</b>	<b>Y-T-D</b>
New York	1,827	25,227
Pennsylvania	2,381	13,919
New Jersey	567	12,510
Connecticut	2,596	12,257
Dist. of Columbia		9,111
Massachusetts	1,748	7,500
Maryland	1,245	3,347
Maine	80	2,423
Rhode Island		1,221
Delaware	700	933
Vermont		578
New Hampshire	18	486
<b>TOTAL</b>	<b>11,162</b>	<b>89,512</b>

<b>MIDWEST</b>	<b>DECEMBER</b>	<b>Y-T-D</b>
Illinois	566	23,028
Indiana	151	15,652
Ohio	704	13,442
Michigan	3,494	12,865
Minnesota	1,250	9,696
Iowa	500	8,806
Wisconsin	39	8,301
Missouri	74	6,297
Kansas	231	2,693
Nebraska		480
<b>TOTAL</b>	<b>7,009</b>	<b>101,260</b>

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**JOB CUTS BY REGION, STATE**

<b>WEST</b>	<b>DECEMBER</b>	<b>Y-T-D</b>
Texas	926	104,261
California	5,816	84,224
Washington	2,332	10,974
Colorado	54	7,669
Oklahoma		5,249
Oregon	186	4,354
Arizona	298	3,688
New Mexico	518	2,068
Idaho	90	1,829
Hawaii	675	1,375
Montana		909
Utah		863
Nevada		721
Wyoming		640
Alaska		604
North Dakota		350
South Dakota		73
<b>TOTAL</b>	<b>10,895</b>	<b>229,851</b>

<b>SOUTH</b>	<b>DECEMBER</b>	<b>Y-T-D</b>
Arkansas		26,244
N. Carolina	789	20,917
Florida	1,738	13,488
Virginia	804	9,856
Tennessee	120	7,886
Louisiana		6,424
Kentucky	625	5,492
Georgia	385	5,407
Mississippi		5,306
Alabama		2,402
S. Carolina	100	1,499
West Virginia		1,371
<b>TOTAL</b>	<b>4,561</b>	<b>106,292</b>

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**JOB CUTS BY REASON**

	<b>DECEMBER</b>	<b>YTD</b>
Restructuring	18,818	200,111
Oil Prices	109	92,868
Closing	5,501	90,764
Cost-Cutting	3,484	42,282
Bankruptcy	900	19,125
Merger/Acquisition	69	18,985
Demand Downturn	1,783	16,220
Loss of Contract	851	7,979
Technological Update		7,145
Outsourcing	360	6,755
Relocation	682	5,195
Voluntary Severance	900	4,163
Coal Downturn		3,341
Competition		3,162
Steel Downturn	170	2,121
Government Regulation		1,580
Budget Cuts		1,257
Aluminum Prices		1,152
Copper Downturn		454
Labor Dispute		435
Economic Conditions		368
Listeria		311
Legal Trouble		230
Financial Losses		220
No Reason Provided		209
Funding Loss		169
Grain Downturn		121
Fire		100
Weather		88
Flint, MI Water Crisis		5
<b>TOTAL</b>	<b>33,627</b>	<b>526,915</b>

**CHALLENGER, GRAY & CHRISTMAS, INC.  
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**QUARTER BY QUARTER**

	Q1	Q2	Q3	Q4	TOTAL
<b>1989</b>	9,850	10,100	24,085	67,250	<b>111,285</b>
<b>1990</b>	107,052	87,686	49,104	72,205	<b>316,047</b>
<b>1991</b>	110,056	76,622	147,507	221,107	<b>555,292</b>
<b>1992*</b>	110,815	85,486	151,849	151,850	<b>500,000</b>
<b>1993</b>	170,615	84,263	194,486	165,822	<b>615,186</b>
<b>1994</b>	192,572	107,421	117,706	98,370	<b>516,069</b>
<b>1995</b>	97,716	114,583	89,718	137,865	<b>439,882</b>
<b>1996</b>	168,695	101,818	91,784	114,850	<b>477,147</b>
<b>1997</b>	134,257	51,309	95,930	152,854	<b>434,350</b>
<b>1998</b>	139,140	131,303	161,013	246,339	<b>677,795</b>
<b>1999</b>	210,521	173,027	173,181	118,403	<b>675,132</b>
<b>2000</b>	141,853	81,568	168,875	221,664	<b>613,960</b>
<b>2001</b>	406,806	370,556	594,326	585,188	<b>1,956,876</b>
<b>2002</b>	478,905	292,393	269,090	426,435	<b>1,466,823</b>
<b>2003</b>	355,795	274,737	241,548	364,346	<b>1,236,426</b>
<b>2004</b>	262,840	209,895	251,585	315,415	<b>1,039,735</b>
<b>2005</b>	287,134	251,140	245,378	288,402	<b>1,072,054</b>
<b>2006</b>	255,878	180,580	202,771	200,593	<b>839,822</b>
<b>2007</b>	195,986	197,513	194,095	180,670	<b>768,264</b>
<b>2008</b>	200,656	275,292	287,142	460,903	<b>1,223,993</b>
<b>2009</b>	562,510	318,165	240,233	151,122	<b>1,272,030</b>
<b>2010</b>	181,183	116,494	113,595	118,701	<b>529,973</b>
<b>2011</b>	130,749	115,057	233,258	127,018	<b>606,082</b>
<b>2012</b>	143,094	139,997	102,910	137,361	<b>523,362</b>
<b>2013</b>	145,041	113,891	128,452	121,667	<b>509,051</b>
<b>2014</b>	121,341	124,693	117,374	119,763	<b>483,171</b>
<b>2015</b>	140,214	147,458	205,759	105,079	<b>598,510</b>
<b>2016</b>	180,920	132,834	121,858	91,303	<b>526,915</b>
<b>AVG</b>	<b>201,507</b>	<b>156,780</b>	<b>179,093</b>	<b>200,423</b>	

*\*Estimate based on half-year total. Challenger began tracking job-cut data in 1993. Before that, it was tabulated by an independent newsletter no longer published.*



**CHALLENGER, GRAY & CHRISTMAS, INC.  
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**ANNOUNCED HIRING PLANS  
By Month**

	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>January</b>	8,362	8,774	6,312	60,585	7,568	29,492
<b>February</b>	7,539	14,574	11,054	92,372	10,720	72,581
<b>March</b>	10,997	6,412	6,860	8,115	12,390	10,869
<b>April</b>	11,557	13,898	11,145	9,322	11,794	59,648
<b>May</b>	24,732	12,598	10,141	9,618	7,722	10,248
<b>June</b>	13,564	11,176	15,530	8,774	12,314	15,498
<b>July</b>	16,051	11,637	16,544	9,728	10,350	10,706
<b>August</b>	9,101	11,778	9,657	7,662	12,079	15,201
<b>September</b>	487,075	492,306	567,705	445,617	425,683	76,551
<b>October</b>	135,532	86,107	147,935	87,874	75,065	159,177
<b>November</b>	108,994	10,026	11,291	14,177	28,526	63,527
<b>December</b>	<b>35,198</b>	11,465	7,332	11,362	16,266	14,074
<b>TOTAL</b>	<b>868,702</b>	<b>690,751</b>	<b>821,506</b>	<b>765,206</b>	<b>630,477</b>	<b>537,572</b>

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**ANNOUNCED HIRING PLANS**

<b>INDUSTRY</b>	<b>DECEMBER</b>	<b>YEAR-TO-DATE</b>
Aerospace/Defense		5,225
Apparel		1,000
Automotive	1,268	14,108
Chemical	100	590
Commodities		0
Computer	26,115	177,752
Construction		506
Consumer Products		2,167
Education		596
Electronics		1,952
Energy		1,913
Entertainment/Leisure		101,842
Financial		5,276
Food	223	2,951
Government		1,193
Health Care/Products	400	8,094
Industrial Goods	582	7,005
Insurance		2,161
Legal		91
Media	60	8,220
Non-Profit		0
Pharmaceutical		2,808
Real Estate		150
Retail		355,443
Services	550	5,838
Telecommunications	5,700	10,297
Transportation	200	151,384
Utility		140
<b>TOTAL</b>	<b>35,198</b>	<b>868,702</b>

*\*Taco Brands and YUM Brands announced hiring of 100,000 by 2020*

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**ANNOUNCED SEASONAL HIRING PLANS**

	2,012	2,013	2,014	2,015	2,016
Amazon	50,000	70,000	80,000	100,000	120,000
UPS	55,000	55,000	95,000	95,000	95,000
Macy's	80,000	83,000	86,000	85,000	83,000
Kohl's	52,700	53,000	76,970	79,160	69,000
Target	88,000	70,000	70,000	70,000	77,500
Walmart	50,000	55,000	60,000	60,000	
FedEx (Transportation)	20,000	20,000	50,000	55,000	50,000
Toys R Us	45,000	45,000	45,000	40,000	
JC Penney	40,000	35,000	35,000	30,000	40,000
GameStop	17,000	17,000	25,000	28,000	
Nordstrom	N/A	N/A	N/A	11,800	
Sports Authority	N/A	N/A	N/A	3,500	
Best Buy	14,000	N/A	N/A		
Meijer	12,000	9,000	10,000		
Radial					20,000
Party City					35,000
The Bon-Ton Stores					13,000
Gap	N/A	N/A	63,000		
Versant Supply Chain					2,000
Opryland					300
Hickory Farms (Food)	5,225	6,000	N/A		
<b>TOTAL</b>	<b>495,925</b>	<b>518,000</b>	<b>695,970</b>	<b>657,460</b>	<b>604,800</b>