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JOB CUTS FALL 12% TO 26,936 IN NOVEMBER; THE LOWEST LEVEL OF THE YEAR

CHICAGO, December 1, 2016 – The pace of downsizing fell to the lowest level of the year in November, as U.S.-based employers announced plans to shed 26,936 workers from payrolls during the month, according to the report released Thursday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

November job cuts were 12 percent lower than the 30,740 cuts announced in October. They were down 13 percent from last November, when job cuts totaled 30,953.

Last month's total was the lowest of the year, falling below the previous low of 30,157, recorded in May. It was slightly higher than last December's 23,622 job cuts, which was the lowest monthly total since June, 2000, when employers announced just 17,241 planned layoffs.

To date, employers have announced 493,288 job cuts in 2016. That is 5.5 percent fewer than the 521,847 job cuts recorded by this point in 2015.

“Barring an unlikely December surge in downsizing, the year-end job cut total should remain well below the 598,510 layoffs announced last year. Even if the new administration creates some uncertainty among corporate forecasters, most employers are in a strong enough position and to take a wait-and-see approach when planning for next year,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

The retail sector saw the heaviest job cutting in November, with 4,850 announced layoffs. Most of these resulted from the bankruptcy of American Apparel, which could impact nearly 3,500 workers.

The retail losses are more than offset by the surge in holiday hiring. In September, Challenger tracked retail hiring announcements totaling 317,000.

“These represent just a small fraction of the jobs being created, since most retailers, including the thousands of small, independent stores across the country, do not formally announce hiring intentions,” said Challenger.

Overall, retail job cuts are down 12 percent from a year ago. Through November, these employers have announced plans to shed 57,969 workers, compared to 65,609 job cuts recorded during the same period in 2015.

Even with the decline, year-to-date retail job cuts rank third among all industries, behind computer and energy. Computer firms have announced 66,188 job cuts in 2016, including 1,677 in November. The 2016 total is up 7 percent from 61,516 a year ago.

Meanwhile, heavy job cutting in the energy sector has ebbed in recent months, but the industry still leads all others with 105,041 job cuts, to date. That is 13 percent more than the 92,727 energy-sector job cuts recorded between January and November 2015.

“Despite a few notable exceptions, including energy and computer, most industries have seen job cuts decline in 2016. The pace of downsizing has continued to slow throughout the year, with the monthly average falling from 52,292 in the first six months of 2016 to 35,907 in the five-month period ending in November,” said Challenger.

“The second-half slowdown is likely to continue in December. In the past, the holiday season offered no protection against year-end surges in job cuts. In fact, prior to the Great Recession, the December job-cut average was consistently higher than the 12-month average. That has not been the case in the five years since the end of the downturn,” said Challenger.

Indeed, from 1993 through 2007, December job cuts averaged 76,990, compared to an overall monthly average of 71,275 during the same period. In five years since the end of the recession in 2009, December job cuts averaged 32,205, markedly lower than a monthly average of 45,141.

“One might attribute this to the recovery. However, even during the boom years of the late 1990s, December job cuts were higher than the monthly average. It is impossible to pinpoint the complex set of reasons for the recent decline in year-end job cuts, but it may not be a coincidence that it corresponds with the rise of social media.

“Job cuts around the holidays always presented a public relations risk, but most news stories remained fairly neutral. That is not the case with social media, where the sharing of news is often paired with biting commentary that can have serious consequences on an employer’s image and brand reputation,” said Challenger.

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT
TOP FIVE INDUSTRIES
Year To Date

	2016	2015
Energy	105,041	92,727
Computer	66,188	61,516
Retail	57,969	65,609
Industrial Goods	31,656	54,845
Financial	21,417	23,232

MONTH BY MONTH TOTALS

	2016	2015
January	75,114	53,041
February	61,599	50,579
March	44,207	36,594
April	64,141	61,582
May	30,157	41,034
June	38,536	44,842
July	45,346	105,696
August	32,188	41,186
September	44,324	58,877
October	30,740	50,504
November	26,936	30,953
December		23,622
TOTAL	493,288	598,510

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

Texas	103,335
California	78,408
Arkansas	26,244
New York	23,400
Illinois	22,462

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

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

JOB CUTS BY INDUSTRY

	15-Nov	16-Oct	16-Nov	Jan-Nov 2015	Jan-Nov 2016
Aerospace/Defense	550	1,252	728	11,510	11,867
Apparel			54	1,134	839
Automotive	1,463	1,104	2,542	14,469	14,578
Chemical	843	210	199	19,701	11,187
Commodities			207	503	3,024
Computer	1,886	4,792	1,677	61,516	66,188
Construction	160			1,204	1,298
Consumer Products	758	1,343	530	12,451	10,035
Education	763	842	248	18,685	19,480
Electronics	398	812	932	12,366	9,008
Energy	2,675	4,414	1,894	92,727	105,041
Entertainment/Leisure	574	1,688	472	12,348	17,062
Financial	784	468	2,030	23,232	21,417
Food	2,283	319	197	22,152	13,331
Government	924	560	841	70,029	15,155
Health Care/Products	1,570	1,317	1,369	24,228	17,030
Industrial Goods	7,398	2,037	2,279	54,845	31,656
Insurance	228	182	174	4,101	3,071
Legal	48	50		1,405	106
Media	910	623	2,527	5,071	7,688
Non-Profit	37	28	14	2,006	2,025
Pharmaceutical	95	927	744	10,443	8,981
Real Estate				407	722
Retail	626	1,180	4,850	65,609	57,969
Services	1,220	1,066		8,323	9,584
Telecommunications	50	4,135	1,405	4,467	18,921
Transportation	4,370	1,391	993	18,727	14,981
Utility	340		30	1,229	1,044
TOTAL	30,953	30,740	26,936	574,888	493,288

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

JOB CUTS BY REGION, STATE

EAST	NOVEMBER	Y-T-D
New York	4,368	23,400
New Jersey	70	11,943
Pennsylvania	758	11,538
Connecticut	1,168	9,661
Dist. of Columbia	18	9,111
Massachusetts	457	5,752
Maine	300	2,343
Maryland	139	2,102
Rhode Island	650	1,221
Vermont		578
New Hampshire		468
Delaware		233
TOTAL	7,928	78,350

MIDWEST	NOVEMBER	Y-T-D
Illinois	1,807	22,462
Indiana	735	15,501
Ohio	776	12,738
Michigan	2,120	9,371
Minnesota		8,446
Iowa		8,306
Wisconsin	272	8,262
Missouri	77	6,223
Kansas		2,462
Nebraska		480
TOTAL	5,787	94,251

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

JOB CUTS BY REGION, STATE

WEST	NOVEMBER	Y-T-D
Texas	893	103,335
California	7,810	78,408
Washington	112	8,642
Colorado	66	7,615
Oklahoma		5,249
Oregon	168	4,168
Arizona	2,200	3,390
Idaho		1,739
New Mexico	87	1,550
Montana	100	909
Utah		863
Nevada		721
Hawaii		700
Wyoming	15	640
Alaska		604
North Dakota		350
South Dakota		73
TOTAL	11,451	218,956

SOUTH	NOVEMBER	Y-T-D
Arkansas		26,244
N. Carolina	706	20,128
Florida	581	11,750
Virginia	129	9,052
Tennessee	140	7,766
Louisiana	65	6,424
Mississippi		5,306
Georgia		5,022
Kentucky		4,867
Alabama		2,402
S. Carolina	149	1,399
West Virginia		1,371
TOTAL	1,770	101,731

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

JOB CUTS BY REASON

	NOVEMBER	YTD
Restructuring	10,402	181,293
Oil Prices	545	92,759
Closing	3,816	85,263
Cost-Cutting	2,828	38,798
Merger/Acquisition	770	18,916
Bankruptcy	3457	18,225
Demand Downturn	2,339	14,437
Technological Update		7,145
Loss of Contract		7,128
Outsourcing	156	6,395
Relocation	231	4,513
Coal Downturn		3,341
Voluntary Severance	241	3,263
Competition	1,600	3,162
Steel Downturn		1,951
Government Regulation	551	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
TOTAL	26,936	493,288

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

QUARTER BY QUARTER

	Q1	Q2	Q3	Q4	TOTAL
1989	9,850	10,100	24,085	67,250	111,285
1990	107,052	87,686	49,104	72,205	316,047
1991	110,056	76,622	147,507	221,107	555,292
1992*	110,815	85,486	151,849	151,850	500,000
1993	170,615	84,263	194,486	165,822	615,186
1994	192,572	107,421	117,706	98,370	516,069
1995	97,716	114,583	89,718	137,865	439,882
1996	168,695	101,818	91,784	114,850	477,147
1997	134,257	51,309	95,930	152,854	434,350
1998	139,140	131,303	161,013	246,339	677,795
1999	210,521	173,027	173,181	118,403	675,132
2000	141,853	81,568	168,875	221,664	613,960
2001	406,806	370,556	594,326	585,188	1,956,876
2002	478,905	292,393	269,090	426,435	1,466,823
2003	355,795	274,737	241,548	364,346	1,236,426
2004	262,840	209,895	251,585	315,415	1,039,735
2005	287,134	251,140	245,378	288,402	1,072,054
2006	255,878	180,580	202,771	200,593	839,822
2007	195,986	197,513	194,095	180,670	768,264
2008	200,656	275,292	287,142	460,903	1,223,993
2009	562,510	318,165	240,233	151,122	1,272,030
2010	181,183	116,494	113,595	118,701	529,973
2011	130,749	115,057	233,258	127,018	606,082
2012	143,094	139,997	102,910	137,361	523,362
2013	145,041	113,891	128,452	121,667	509,051
2014	121,341	124,693	117,374	119,763	483,171
2015	140,214	147,458	205,759	105,079	598,510
2016	180,920	132,834	121,858		435,612
AVG	201,507	156,780	179,093	204,620	

**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.
JOB-CUT ANNOUNCEMENT REPORT**

**ANNOUNCED HIRING PLANS
By Month**

	2016	2015	2014	2013	2012	2011
January	8,362	8,774	6,312	60,585	7,568	29,492
February	7,539	14,574	11,054	92,372	10,720	72,581
March	10,997	6,412	6,860	8,115	12,390	10,869
April	11,557	13,898	11,145	9,322	11,794	59,648
May	24,732	12,598	10,141	9,618	7,722	10,248
June	13,564	11,176	15,530	8,774	12,314	15,498
July	16,051	11,637	16,544	9,728	10,350	10,706
August	9,101	11,778	9,657	7,662	12,079	15,201
September	487,075	492,306	567,705	445,617	425,683	76,551
October	135,532	86,107	147,935	87,874	75,065	159,177
November	108,994	10,026	11,291	14,177	28,526	63,527
December		11,465	7,332	11,362	16,266	14,074
TOTAL	833,504	690,751	821,506	765,206	630,477	537,572

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

ANNOUNCED HIRING PLANS

INDUSTRY	NOVEMBER	YEAR-TO-DATE
Aerospace/Defense	2,000	5,225
Apparel		1,000
Automotive		12,840
Chemical		490
Commodities		0
Computer	500	151,637
Construction		506
Consumer Products	119	2,167
Education		596
Electronics	500	1,952
Energy		1,913
Entertainment/Leisure*	100,000	101,842
Financial	1,600	5,276
Food	230	2,728
Government	500	1,193
Health Care/Products	650	7,694
Industrial Goods	645	6,423
Insurance		2,161
Legal		91
Media	100	8,160
Non-Profit		0
Pharmaceutical	80	2,808
Real Estate		150
Retail	100	355,443
Services	1,050	5,288
Telecommunications	620	4,597
Transportation	300	151,184
Utility		140
TOTAL	108,994	833,504

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

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB-CUT ANNOUNCEMENT REPORT**

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		
TOTAL	495,925	518,000	695,970	657,460	604,800