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### Job Cuts Rise 17% in April

## **EMPLOYERS ANNOUNCE 40,298 JOB CUTS; 2014 PACE STILL LOWEST SINCE 1997**

**CHICAGO, May 1, 2014** – Job cut announcements by U.S.-based firms were up 17 percent in April, as employers in retail and financial services continued to shed workers in a challenging business environment.

Employers announced plans to shed 40,298 workers from their payrolls in April, according to the monthly report released Thursday by global outplacement firm Challenger, Gray & Christmas, Inc. That was up from 34,399 in March and 6.0 percent higher than the 38,121 job cuts recorded in the same month a year ago.

So far in 2014, Challenger has tracked 161,639 announced job cuts, 12 percent fewer than the 183,162 planned layoffs in the first four months of 2013.

“Despite the April increase, the pace of downsizing remains relatively low. We just saw the lowest first-quarter total in 19 years and the year-to-date monthly average of 40,410 is the lowest since 1997,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“However, while the economy still has a lot of room for growth, it is unlikely that monthly layoffs will experience a precipitous decline. Even during the economic boom of the late 1990s, employers still averaged about 550,000 announced layoffs annually.”

One area that has continued to struggle in the wake of the recession is retail, which announced an industry-leading 6,993 job cuts in April. To date, retailers have announced 25,224 job cuts, which is only slightly lower than the 31,297 retail job cuts reported in the first four months of 2013.

**Top 5 Job Cutting Industries in April**

Retail	6,993
Financial	4,124
Aerospace/Defense	4,075
Health Care/Products	3,242
Food	2,865

“Among the retailers announcing cuts in April was Coldwater Creek, which never found its footing after the recession and was forced to declare bankruptcy and shutter 350 stores. Like other retailers, it struggled amid a changing retail landscape, where more and more competition is coming from the internet,” said Challenger.

The financial sector announced 4,124 job cuts in April, bringing the 2014 total to 19,430. While that ranks second among all industries, the pace of downsizing in the banking industry is actually down 44 percent from 2013.

“We are seeing some stabilization in the banking industry. We may continue to see cutbacks in the mortgage departments, as banks shed the extra workers hired to handle the flood of foreclosures, but those areas are getting back to normal staffing levels,” said Challenger.

One area that has seen a surprising increase in layoffs is the technology sector, where job cuts announced telecommunications firms and computer firms have jumped 214 percent and 94 percent, respectively.

The 11,827 job cuts announced to date by telecommunications companies is only about 1,000 fewer than the 12,952 cuts announced by these employers in all of 2013.

“Rising job cuts in the tech sector is not necessarily a harbinger of a weakening economy. Change occurs so rapidly in this sector that employers have become very adept at shift their workforce levels to the latest trends. In many cases, these firms are simultaneously hiring in one area while cutting staff in another,” noted Challenger.

Indeed, telecommunications firms announced plans to hire 2,570 workers in April, while firms in the computer industry announced hiring plans totaling 1,650.

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**TOP FIVE INDUSTRIES  
Year To Date**

	<b>2014</b>	<b>2013</b>
<b>Retail</b>	25,224	31,297
<b>Financial</b>	19,430	34,856
<b>Health Care/Products</b>	14,206	15,981
<b>Telecommunications</b>	11,827	3,767
<b>Computer</b>	11,064	5,696

**MONTH BY MONTH TOTALS**

	<b>2014</b>	<b>2013</b>
<b>January</b>	45,107	40,430
<b>February</b>	41,835	55,356
<b>March</b>	34,399	49,255
<b>April</b>	40,298	38,121
<b>May</b>		36,398
<b>June</b>		39,372
<b>July</b>		37,701
<b>August</b>		50,462
<b>September</b>		40,289
<b>October</b>		45,730
<b>November</b>		45,314
<b>December</b>		30,623
<b>TOTAL</b>	<b>161,639</b>	<b>509,051</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**

New York	23,169
California	22,413
Illinois	11,080
Pennsylvania	9,478
Washington	7,432

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

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**JOB CUTS BY INDUSTRY**

	13-Apr	14-Mar	14-Apr	Jan-Apr 2013	Jan-Apr 2014
Aerospace/Defense	2,927	895	4,075	12,693	7,136
Apparel	1,000	106	852	1,307	1,342
Automotive	1,195	795	1,243	5,544	3,846
Chemical		22		904	369
Commodities		324		67	726
Computer	2,170	1,884	1,931	5,696	11,064
Construction	85	154		330	372
Consumer Products	990	964	630	3,187	4,750
Education	821	1,639	2,504	4,633	5,858
Electronics	1,380	423	302	2,775	3,353
Energy	1,422	427	1,456	3,966	2,396
Entertainment/Leisure	372	2,509	859	6,089	7,450
Financial	1,037	698	4,124	34,856	19,430
Food	295	1,855	2,865	6,385	8,821
Government	1,384	1,678	529	5,105	5,230
Health Care/Products	4,268	5,768	3,242	15,981	14,206
Industrial Goods	3,550	2,813	2,106	11,112	8,970
Insurance	106	207	70	1,214	786
Legal		1	72	118	291
Media	691	333	966	5,845	2,100
Non-Profit	450	340	336	1,046	835
Pharmaceutical	1,517	580	332	4,702	2,853
Real Estate			31	378	115
Retail	5,897	2,989	6,993	31,297	25,224
Services	2,625	797	1,567	3,759	3,033
Telecommunications	296	4,325	550	3,767	11,827
Transportation	3,021	1,754	1,467	9,365	7,858
Utility	622	119	1,196	1,041	1,398
<b>TOTAL</b>	<b>38,121</b>	<b>34,399</b>	<b>40,298</b>	<b>183,162</b>	<b>161,639</b>

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**JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>APRIL</b>	<b>Y-T-D</b>
New York	4,580	23,169
Pennsylvania	1,645	9,478
New Jersey	2,673	6,054
Massachusetts	916	3,184
Maryland	373	2,349
Connecticut	497	1,613
Dist. of Columbia		1,277
Maine	175	882
Vermont	50	431
Rhode Island	20	342
Delaware	72	248
New Hampshire	20	219
<b>TOTAL</b>	<b>11,021</b>	<b>49,246</b>

<b>MIDWEST</b>	<b>APRIL</b>	<b>Y-T-D</b>
Illinois	1,787	11,080
Minnesota	851	6,454
Ohio	428	5,369
Michigan	1,256	5,049
Missouri	1,269	3,377
Wisconsin	967	3,045
Indiana	354	2,554
Kansas	804	2,143
Iowa	583	1,073
Nebraska	25	88
<b>TOTAL</b>	<b>8,324</b>	<b>40,232</b>

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**JOB CUTS BY REGION, STATE**

<b>WEST</b>	<b>APRIL</b>	<b>Y-T-D</b>
California	4,522	22,413
Washington	5,533	7,432
Texas	571	7,189
Idaho	162	3,581
Colorado	21	973
Oklahoma	143	930
Oregon	308	795
Nevada	243	551
Hawaii		390
Alaska	60	260
Arizona	115	247
Utah	88	182
New Mexico	108	158
South Dakota		120
Montana	29	53
Wyoming	31	31
North Dakota	15	15
<b>TOTAL</b>	<b>11,949</b>	<b>45,320</b>

<b>SOUTH</b>	<b>APRIL</b>	<b>Y-T-D</b>
Florida	459	4,497
N. Carolina	2,746	4,148
Alabama	2,402	3,629
Arkansas	56	3,110
Virginia	624	2,700
Kentucky	961	2,449
Mississippi	162	2,017
Tennessee	171	1,625
Georgia	924	1,254
Louisiana	332	864
S. Carolina	67	285
West Virginia	100	263
<b>TOTAL</b>	<b>9,004</b>	<b>26,841</b>

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**JOB CUTS BY REASON**

	APRIL	YTD
Restructuring	11,564	63,474
Closing	8,465	41,988
Cost-Cutting	3,640	20,138
Economic Conditions	3,323	5,949
Bankruptcy	5,585	5,788
Demand Downturn	725	5,724
Merger/Acquisition	1,283	4,930
Voluntary Severance	1,818	4,647
Outsourcing	1,067	2,684
Loss of Contract	1,320	2,000
Sequestration	1170	1,560
Health Reform	35	929
Relocation	70	641
Legal Trouble	137	596
Labor Dispute		250
Competition	56	156
Natural Disaster		95
Technological Update	32	79
Fired	8	8
Foreclosure		3
<b>TOTAL</b>	<b>40,258</b>	<b>161,549</b>

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**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
<b>AVG</b>	<b>207,989</b>	<b>158,436</b>	<b>182,785</b>	<b>212,303</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.



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**ANNOUNCED HIRING PLANS  
Monthly Totals**

	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>January</b>	6,312	60,585	7,568	29,492
<b>February</b>	11,054	92,372	10,720	72,581
<b>March</b>	6,860	8,115	12,390	10,869
<b>April</b>	11,145	9,322	11,794	59,648
<b>May</b>		9,618	7,722	10,248
<b>June</b>		8,774	12,314	15,498
<b>July</b>		9,728	10,350	10,706
<b>August</b>		7,662	12,079	15,201
<b>September</b>		445,617	425,683	76,551
<b>October</b>		87,874	75,065	159,177
<b>November</b>		14,177	28,526	63,527
<b>December</b>		11,362	16,266	14,074
<b>TOTAL</b>	<b>35,371</b>	<b>765,206</b>	<b>630,477</b>	<b>459,971</b>

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ANNOUNCED HIRING PLANS**

<b>INDUSTRY</b>	<b>APRIL</b>	<b>YEAR-TO-DATE</b>
Aerospace/Defense	1,510	2,157
Apparel		0
Automotive	2,098	4,664
Chemical		60
Commodities		0
Computer	1,650	6,050
Construction		235
Consumer Products	147	347
Education		1,505
Electronics	88	388
Energy		1,000
Entertainment/Leisure	220	270
Financial	350	1,029
Food	222	645
Government		14
Health Care/Products	582	1,957
Industrial Goods	740	3,726
Insurance		1,070
Legal		60
Media		60
Non-Profit		70
Pharmaceutical	100	756
Real Estate		0
Retail	28	3,623
Services	840	1,066
Telecommunications	2,570	4,082
Transportation		537
Utility		0
<b>TOTAL</b>	<b>11,145</b>	<b>35,371</b>