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**JOB CUTS FALL 15% IN MAY, BUT EXPLODE IN TECH, FINTECH,
CONSTRUCTION**

CHICAGO, June 2, 2022 – U.S.-based employers announced 20,712 cuts in May, a 14.7% decrease from the 24,286 announced in April. It is 15.8% lower than the 24,586 cuts announced in May of 2021, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

So far this year, employers announced plans to cut 100,694 job cuts, down 48% from the 192,185 cuts announced through the same period in 2021. It is the lowest recorded January-May total since Challenger began tracking monthly job cut announcements in 1993*.

INDUSTRIES THAT ANNOUNCED MORE JOB CUTS IN MAY THAN PREVIOUS 4 MONTHS

| Industry | Jan-Apr | May | Percent Change Jan-Apr over May | 2022 YTD | 2021 YTD |
|---------------------|------------|--------------|---------------------------------|--------------|--------------|
| Technology | 459 | 4,044 | 781.05% | 4,503 | 4,854 |
| Fintech | 440 | 1,619 | 267.95% | 2,059 | 556 |
| Construction | 333 | 817 | 145.35% | 1,150 | 741 |
| Automotive | 2,462 | 2,918 | 18.52% | 5,380 | 5,049 |

Source: Challenger, Gray & Christmas, Inc.

Despite the drop in job cuts, of the 30 industries Challenger tracks, four saw more job cuts announced in May than in the previous four months of the year combined. Companies in the Technology sector announced 4,044 cuts in May, up 781% from the 459 cuts the industry announced in January through April. It is the highest monthly total since December 2020 when companies in this industry announced 5,253 job cuts. So far this year, this industry has announced 4,503 job cuts, down 7% from the 4,854 cuts announced in the same period last year.

Meanwhile, Fintech companies announced 268% more cuts in May than in the first four months of 2022. In 2022, Fintech firms announced 2,059 cuts, a 270% increase from the 556 announced in the first five months of 2021.

“Many technology startups that saw tremendous growth in 2020, particularly in the real estate, financial, and delivery sectors, are beginning to see a slowdown in users, and coupled with inflation and interest rate concerns, are restructuring their workforces to cut costs and shore up capital,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

At the same time, inflation and the increase in interest rates is beginning to impact the housing market. Construction firms announced 817 job cuts in May for a total of 1,150, a 55% increase from the 741 cuts announced through May of 2021. It is the highest monthly total for the sector since October 2020 when Construction firms announced 967 cuts.

This follows a slight slowdown in housing starts and permits in April, according to the Census Bureau. Housing permits fell 3% from March, but remains 14% higher than a year ago, while starts fell 0.2% from March.

“After the housing frenzy over the last 18 months, demand has cooled somewhat, which will lead to job cuts in related sectors,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

While Technology announced the most job cuts in May, Automotive announced the second-highest number of cuts last month with 2,918 for a total of 5,380. This is up 6.6% from the 5,049 cuts announced through May 2021.

“Auto makers and suppliers are still dealing with supply chain woes, a semiconductor shortage, and now record-high gas prices that are driving consumers toward electric vehicles. Almost all major automotive companies have started to pivot to these vehicles, causing workforce restructurings as well,” said Challenger.

Health Care/Products companies announced the third-most job cuts in May with 2,373 and lead all sectors in cuts with 18,301, a 57% increase from the 11,656 cuts announced in the same period last year.

Employers in the United States announced 126,083 hiring plans in May, primarily on plans from Ace Hardware to hire 40,000 associates and 7-Eleven, which plans to hire 60,000. So far this year, Challenger has tracked 612,686 hiring announcements, up 39% from the 441,696 hiring plans announced through May of last year. It is the second-highest January-May hiring total since the firm began tracking hiring plans in 2006. The record occurred in 2020, when 1,260,661 hiring plans were announced in the first five months of the year.

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**From 1989-1992, an outside newsletter tracked job cut announcements.*

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

Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES

Year To Date

| | 2022 | 2021 |
|------------------------------|-------------|-------------|
| Health Care/Products | 18,301 | 11,656 |
| Services | 9,297 | 16,608 |
| Financial | 8,788 | 15,193 |
| Entertainment/Leisure | 7,253 | 11,848 |
| Warehousing | 5,424 | 9,397 |

MONTH BY MONTH TOTALS

| | 2022 | 2021 |
|------------------|----------------|----------------|
| January | 19,064 | 79,552 |
| February | 15,245 | 34,531 |
| March | 21,387 | 30,603 |
| April | 24,286 | 22,913 |
| May | 20,712 | 24,586 |
| June | | 20,476 |
| July | | 18,942 |
| August | | 15,723 |
| September | | 17,895 |
| October | | 22,822 |
| November | | 14,875 |
| December | | 19,052 |
| TOTAL | 100,694 | 321,970 |

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

| | YTD 2022 | YTD 2021 |
|---------------------|-----------------|-----------------|
| California | 15,179 | 25,237 |
| New York | 9,822 | 7,439 |
| Pennsylvania | 9,207 | 5,072 |
| Florida | 5,493 | 7,155 |
| Wisconsin | 4,960 | 1,169 |

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

**CHALLENGER, GRAY & CHRISTMAS, INC.
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Table 2: JOB CUTS BY INDUSTRY

| | 21-May | 22-Apr | 22-May | YTD 2021 | YTD 2022 |
|-----------------------|---------------|---------------|---------------|----------------|----------------|
| Aerospace/Defense | 773 | 200 | 10 | 32,779 | 924 |
| Apparel | | | | 555 | 461 |
| Automotive | 2,109 | 1,773 | 2,918 | 5,049 | 5,380 |
| Chemical | | | | 113 | 0 |
| Construction | 580 | 29 | 817 | 741 | 1,150 |
| Consumer Products | 106 | 1,031 | 290 | 2,068 | 4,183 |
| Education | 2,617 | 1,237 | 1,812 | 7,687 | 4,667 |
| Electronics | 556 | 61 | | 1,954 | 355 |
| Energy | 922 | 263 | 229 | 8,883 | 730 |
| Entertainment/Leisure | 699 | 3,675 | 586 | 11,848 | 7,253 |
| Financial | 602 | 2,772 | 113 | 4,959 | 8,788 |
| FinTech | 128 | 340 | 1,619 | 556 | 2,059 |
| Food | 203 | 578 | 1,337 | 6,721 | 5,101 |
| Government | 574 | 1,116 | 124 | 4,272 | 4,933 |
| Health Care/Products | 2,775 | 2,005 | 2,373 | 11,656 | 18,301 |
| Industrial Goods | 1,974 | 937 | 636 | 4,057 | 2,766 |
| Insurance | 201 | | | 5,232 | 870 |
| Legal | | | | 0 | 0 |
| Media | 447 | 224 | 363 | 3,271 | 1,278 |
| Mining | | 106 | | 175 | 161 |
| Non-Profit | 252 | 422 | 55 | 611 | 1,293 |
| Pharmaceutical | 2,134 | 99 | 335 | 2,322 | 1,132 |
| Real Estate | 9 | 245 | 1,000 | 634 | 2,475 |
| Retail | 1,053 | 2,213 | 505 | 13,594 | 4,335 |
| Services | 1,415 | 3,453 | 879 | 16,608 | 9,297 |
| Technology | 1,809 | 192 | 4,044 | 4,854 | 4,503 |
| Telecommunications | 185 | | 50 | 24,824 | 240 |
| Transportation | 2,285 | 300 | 545 | 6,411 | 1,777 |
| Utility | 53 | 193 | 1 | 354 | 858 |
| Warehousing | 125 | 822 | 71 | 9,397 | 5,424 |
| TOTAL | 24,586 | 24,286 | 20,712 | 192,185 | 100,694 |

**CHALLENGER, GRAY & CHRISTMAS, INC.
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Table 3: JOB CUTS BY REGION, STATE

| EAST | May-22 | YTD 2022 | YTD 2021 |
|-------------------|---------------|-----------------|-----------------|
| Connecticut | 223 | 1,753 | 929 |
| Delaware | | 0 | 100 |
| Dist. of Columbia | | 60 | 264 |
| Maine | 9 | 1,217 | 177 |
| Maryland | | 3,898 | 1,913 |
| Massachusetts | 626 | 2,608 | 5,299 |
| New Hampshire | 25 | 25 | 29 |
| New Jersey | 264 | 1,595 | 3,330 |
| New York | 3,110 | 9,822 | 7,439 |
| Pennsylvania | 1,987 | 9,207 | 5,072 |
| Rhode Island | | 0 | 470 |
| Vermont | | 0 | 500 |
| TOTAL | 6,244 | 30,185 | 25,522 |

| MIDWEST | May-22 | YTD 2022 | YTD 2021 |
|----------------|---------------|-----------------|-----------------|
| Illinois | 213 | 2,590 | 9,723 |
| Indiana | 741 | 2,536 | 1,209 |
| Iowa | 472 | 1,960 | 624 |
| Kansas | 172 | 462 | 422 |
| Michigan | 72 | 3,711 | 1,991 |
| Minnesota | 95 | 941 | 5,803 |
| Missouri | 2 | 245 | 10,420 |
| Nebraska | 150 | 150 | 73 |
| Ohio | 236 | 4,654 | 2,136 |
| Wisconsin | 718 | 4,960 | 1,169 |
| TOTAL | 2,871 | 22,209 | 33,570 |

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Table 3 (cont'd): JOB CUTS BY REGION, STATE

| WEST | May-22 | YTD 2022 | YTD 2021 |
|--------------|---------------|-----------------|-----------------|
| Alaska | 182 | 182 | 0 |
| Arizona | 2,810 | 2,962 | 2,090 |
| California | 2,921 | 15,179 | 25,237 |
| Colorado | 472 | 846 | 1,956 |
| Hawaii | | 0 | 1,498 |
| Idaho | | 0 | 1,034 |
| Montana | | 0 | 0 |
| Nevada | | 0 | 303 |
| New Mexico | 13 | 313 | 574 |
| North Dakota | 20 | 20 | 333 |
| Oklahoma | 405 | 811 | 2,199 |
| Oregon | 177 | 1,112 | 1,390 |
| South Dakota | 7 | 60 | 120 |
| Texas | 1,115 | 3,934 | 28,351 |
| Utah | | 783 | 0 |
| Washington | 317 | 3,351 | 38,164 |
| Wyoming | | 0 | 16 |
| TOTAL | 8,439 | 29,553 | 103,265 |

| SOUTH | May-22 | YTD 2022 | YTD 2021 |
|----------------|---------------|-----------------|-----------------|
| Alabama | 214 | 577 | 504 |
| Arkansas | | 0 | 22 |
| Florida | 1,397 | 5,493 | 7,155 |
| Georgia | 356 | 1,771 | 6,238 |
| Kentucky | | 1,626 | 648 |
| Louisiana | 59 | 422 | 266 |
| Mississippi | | 0 | 1,223 |
| North Carolina | 143 | 3,817 | 2,348 |
| South Carolina | 360 | 1,517 | 1,519 |
| Tennessee | 120 | 1,898 | 7,068 |
| Virginia | 454 | 1,441 | 2,837 |
| West Virginia | 55 | 185 | 0 |
| TOTAL | 3,158 | 18,747 | 29,828 |

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Table 4: JOB CUTS BY REASON

| | May-22 | YTD |
|--|---------------|----------------|
| Closing | 2,509 | 22,169 |
| No Reason Provided | 4,895 | 19,717 |
| Market Conditions | 230 | 13,748 |
| Cost-Cutting | 8,782 | 12,430 |
| Vaccine Refusal | | 10,465 |
| COVID-19 | | 2,939 |
| Restructuring | 1,720 | 2,859 |
| Acquisition/Merger | | 2,615 |
| Plant Fire | | 2,353 |
| Contract Loss | 1,635 | 2,258 |
| Voluntary Severance/Buyouts | | 2,080 |
| Financial Loss | 488 | 2,075 |
| Demand Downturn | 358 | 2,054 |
| COVID-19 Recovery | | 874 |
| Bankruptcy | | 857 |
| Relocation (Domestic) | | 335 |
| Outsourcing Operations to Another US Company | | 280 |
| Natural Disaster | | 250 |
| Reorganization | | 225 |
| Avian Flu Outbreak | 95 | 95 |
| Tobacco Tariffs | | 15 |
| Consolidation | | 1 |
| TOTAL | 20,712 | 100,694 |

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Table 5: 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 | 1,120,908 |
| 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 | 91,303 | 526,915 |
| 2017 | 126,201 | 100,799 | 94,478 | 97,292 | 418,770 |
| 2018 | 140,379 | 104,800 | 120,879 | 172,601 | 538,659 |
| 2019 | 190,410 | 140,577 | 133,882 | 127,687 | 592,556 |
| 2020 | 346,683 | 1,238,364 | 497,215 | 222,493 | 2,304,755 |
| 2021 | 144,686 | 67,975 | 52,560 | 56,749 | 321,970 |
| 2022 | 55,696 | | | | 55,696 |
| AVG | 195,478 | 182,376 | 179,201 | 190,258 | |

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Table 6: ANNOUNCED HIRING PLANS

| By Month | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|------------------|----------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|
| January | 77,630 | 72,063 | 23,229 | 74,040 | 41,890 | 136,501 | 8,362 | 8,774 |
| February | 215,127 | 146,403 | 88,202 | 15,279 | 139,925 | 25,765 | 7,539 | 14,574 |
| March | 105,224 | 97,767 | 824,610 | 96,368 | 14,525 | 127,006 | 10,997 | 6,412 |
| April | 88,622 | 76,345 | 285,639 | 258,302 | 13,842 | 61,537 | 11,557 | 13,898 |
| May | 126,083 | 49,118 | 38,981 | 8,663 | 9,889 | 77,447 | 24,732 | 12,598 |
| June | | 110,093 | 75,454 | 11,946 | 13,504 | 40,095 | 13,564 | 11,176 |
| July | | 18,281 | 246,507 | 22,316 | 9,823 | 88,142 | 16,051 | 11,637 |
| August | | 94,004 | 160,411 | 24,937 | 17,274 | 14,530 | 9,101 | 11,778 |
| September | | 939,790 | 929,860 | 459,689 | 595,997 | 422,726 | 487,075 | 492,306 |
| October | | 52,042 | 255,198 | 190,835 | 130,338 | 37,387 | 135,532 | 86,107 |
| November | | 6,527 | 185,504 | 19,063 | 15,422 | 61,300 | 108,994 | 10,026 |
| December | | 89,984 | 77,267 | 26,313 | 15,999 | 8,218 | 35,198 | 11,465 |
| TOTAL | 612,686 | 1,752,417 | 3,190,862 | 1,207,751 | 1,018,428 | 1,100,654 | 868,702 | 690,751 |

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Table 7: ANNOUNCED HIRING PLANS

| INDUSTRY | 22-May | YTD 2022 | YTD 2021 |
|-----------------------|----------------|-----------------|-----------------|
| Aerospace/Defense | 200 | 10,075 | 10,296 |
| Apparel | | 1,973 | 0 |
| Automotive | 680 | 23,479 | 8,655 |
| Chemical | | 36 | 546 |
| Construction | 43 | 4,220 | 5,885 |
| Consumer Products | 62 | 10,846 | 11,657 |
| Education | 194 | 6,718 | 3,665 |
| Electronics | | 4,400 | 2,729 |
| Energy | 58 | 3,297 | 3,493 |
| Entertainment/Leisure | 6,410 | 60,660 | 54,762 |
| Financial | 12,000 | 15,452 | 14,911 |
| FinTech | 82 | 1,347 | 975 |
| Food | 268 | 22,220 | 2,729 |
| Government | 679 | 61,413 | 66,230 |
| Health Care/Products | 152 | 21,212 | 30,594 |
| Industrial Goods | 774 | 11,016 | 15,238 |
| Insurance | | 966 | 1,300 |
| Legal | | 20 | 30 |
| Media | 6 | 2,270 | 725 |
| Mining | | 1,025 | 850 |
| Non-Profit | | 12,859 | 258 |
| Pharmaceutical | 300 | 4,647 | 1,347 |
| Real Estate | | 4,172 | 1,594 |
| Retail | 102,030 | 245,841 | 118,665 |
| Services | 100 | 12,478 | 14,140 |
| Technology | 1,165 | 33,944 | 24,797 |
| Telecommunications | | 6,176 | 1,830 |
| Transportation | 765 | 18,396 | 16,794 |
| Utility | | 280 | 14,818 |
| Warehousing | 115 | 11,248 | 12,183 |
| TOTAL | 126,083 | 612,686 | 441,696 |