

THE CHALLENGER REPORT

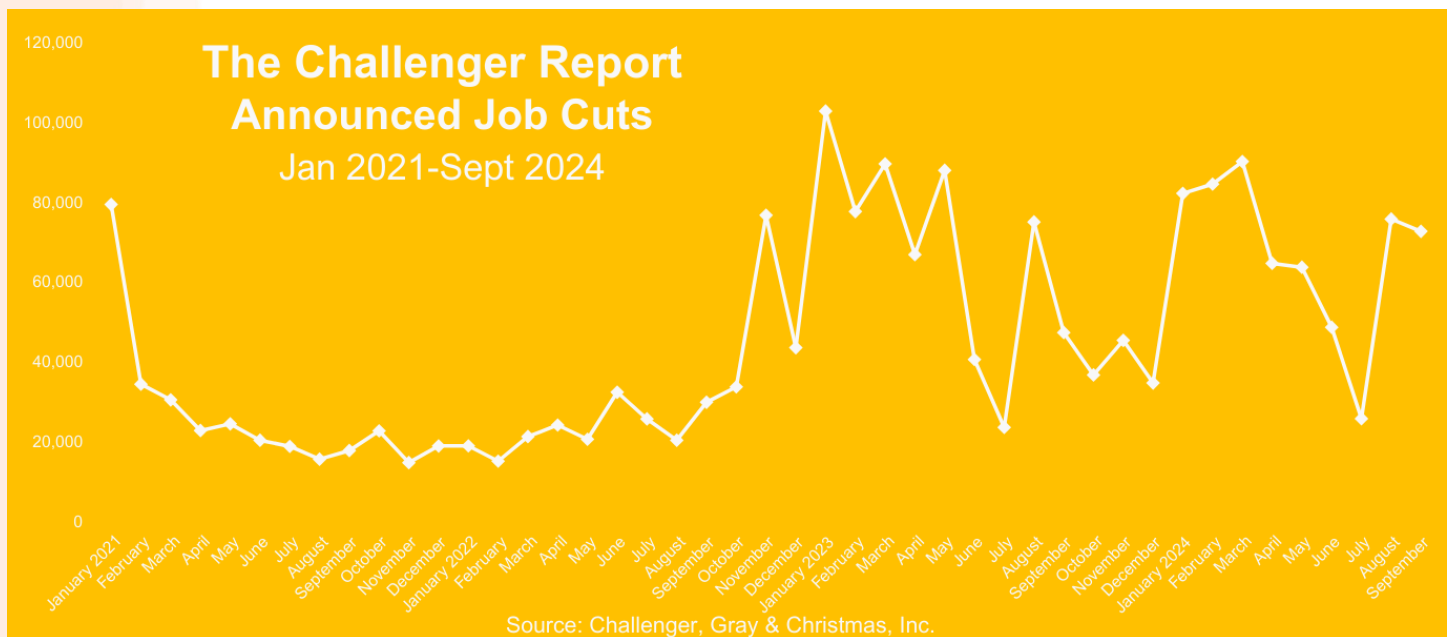
September 2024

JOB CUTS FLAT IN SEPTEMBER FROM AUGUST; YTD SURPASSES 2023

CHICAGO, October 3, 2024 – U.S.-based employers announced 72,821 cuts in September, a 4% decrease from the 75,891 cuts announced one month prior. It is up 53% from the 47,457 cuts announced in the same month in 2023, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

In the third quarter, companies announced plans to cut 174,597 jobs, down 16% from the 177,391 cuts announced in the second quarter of this year. It is up 19% from the 146,305 cuts announced in the same quarter of 2023.

For the year, companies have announced 609,242 job cuts, up 0.8% from 604,514 announced during the same period last year. Though less than a percentage point separates them, this is the first time this year that year-to-date cuts are higher than those tracked during the same period in 2023.



“We’re at an inflection point now, where the labor market could stall or tighten. It will take a few months for the drop in interest rates to impact employer costs, as well as consumer savings accounts. Consumer spending is projected to increase, which may lead to more demand for workers in consumer-facing sectors.

“Layoff announcements have risen over last year, and job openings are flat. Seasonal employers seem optimistic about the holiday shopping season. That said, many of those who found themselves laid off this year from high-wage, high-skill roles, will not likely fill seasonal positions,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

Indeed, the latest Job Openings and Labor Turnover Survey (JOLTS) from the Bureau of Labor Statistics (BLS) showed job remained flat in August, while hiring and quits fell.

Which Industries are Cutting Workers?

Technology

Last month, Technology announced the most job cuts of any sector with 11,430. For the year, Technology announced 116,858, down 23% from the 151,989, announced through the same period last year.

“A large percentage of job cuts this year have come from the Tech sector. Those reductions often come with generous severance packages, as well, meaning many of these workers could afford to stay out of the labor market for a while and continue to spend,” said Challenger.

Of the top industries, only Government is cutting at a faster pace than last year, primarily on a cut to the armed services. Tech, Healthcare, Services, and Financial firms, are generally cutting fewer workers than last year. However, a number of industries are cutting well above the pace of last year.

Utilities and Energy

Utilities have announced 8,879 cuts so far this year, up 691% from the 1,112 cuts announced through the same period last year. Energy, meanwhile, has announced 359% more cuts: 8,315 vs. 1,811 in 2023.

Apparel

Clothing manufacturers announced 7,725 job cuts through the third quarter of this year, up 270% from the 2,090 layoff announcements recorded last year.

Transportation and Industrial Manufacturing

Companies that transport people and goods have announced 25,263 cuts this year, an increase of 248% from the 7,257 cuts announced during the same period last year. Industrial Manufacturers have announced 19,794 job cuts, up 248% from the 5,934 announced during the same period last year.

Education and Entertainment/Leisure

Education has announced 220% more cuts in 2024 compared to the same period last year: 25,285 vs. 8,126. Entertainment/Leisure companies have cut 31,054 through Q3 2024, up 136% from the 13,141 cuts announced in the sector through September 2023.

Announced News Cuts

	2024	2023	2022	2021
January	528	360	0	242
February	1226	546	200	90
March	373	532	491	542
April	57	517	224	1
May	55	17	2	88
June	158	119	0	46
July	172	238	54	0
August	533	31	80	18
September	300	63	135	0
October		271	0	10
November		363	260	124
December		30	362	350
Total	3,402	3,087	1,808	1,511
YTD		2,423	1,186	1,027

Media & News

The Media industry, which includes television, film, streaming, and News, announced 12,914 job cuts so far this year, down 34% from the 19,413 announced in the industry through September 2023.

News, which includes digital, broadcast, and print, and is tracked as a subset of Media, announced 300 layoff announcements in September. For the year, News has announced 3,402, up 40% from the 2,423 cuts tracked during the same period last year.

Source: Challenger, Gray & Christmas, Inc. ©

Why Are Companies Cutting?

Last month, 15,750 job cuts were attributed to “Cost-Cutting,” while 14,054 were due to store, unit, or department “Closing.”

Artificial Intelligence (AI) was cited for 5,616 job cuts last month, all of which occurred in Technology, for a total of 12,742 this year. Since this reason was first tracked in May 2023, 16,989 cuts have been due to AI.

AI Cuts by Industry

Industry	2024	2023
Media		7
Pharmaceuticals		30
Technology	12,542	4,210
Fintech	80	
Warehousing	120	
TOTAL	12,742	4,247

Source: Challenger, Gray & Christmas, Inc.

Despite Seasonal Plans, Lowest YTD Hiring Since 2011

U.S. employers announced 403,891 hiring plans in September, with 401,850 coming from seasonal employers, both in Retail and Transportation/Warehousing (Table 8). This is down 32% from the 590,353 hiring plans announced in September of last year. Of September 2023 hiring plans, 552,800 were seasonal. In September of 2023, Amazon announced plans to fill 250,000 seasonal positions.

For the year, employers have announced plans to add 483,590 jobs, down 33% from the 726,333 announced hiring plans through September 2023. These are the lowest YTD hiring plans since 2011, when employers planned to add 300,794 jobs through September.

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CHALLENGER, GRAY & CHRISTMAS, INC.**JOB CUT ANNOUNCEMENT REPORT****Table 1: EXECUTIVE SUMMARY****TOP FIVE INDUSTRIES****Year To Date**

	2024	2023
Technology	116,856	151,989
Health Care/Products	41,794	52,611
Government	37,739	1,679
Services	37,465	41,332
Financial	36,217	43,675

MONTH BY MONTH TOTALS

	2024	2023
January	82,307	102,943
February	84,638	77,770
March	90,309	89,703
April	64,789	66,995
May	63,816	80,089
June	48,786	40,709
July	25,885	23,697
August	75,891	75,151
September	72,821	47,457
October		36,836
November		45,510
December		34,817
TOTAL	609,242	721,677

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 2024	YTD 2023
California	127,997	163,893
Texas	66,179	33,803
New York	65,070	72,569
Dist. of Columbia	34,788	2,274
Ohio	22,651	11,134

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

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
Table 2: JOB CUTS BY INDUSTRY

	23-Sep	24-Aug	24-Sep	YTD 2023	YTD 2024	Percent Change
Aerospace/Defense	827	1,181		6,769	11,061	63.4%
Apparel	192	1,700		2,090	7,725	269.6%
Automotive	4,769	1,853	4,697	25,214	30,984	22.9%
Chemical		75	60	893	1,330	48.9%
Construction	496	833	814	4,890	10,533	115.4%
Consumer Products	3,497	2,563	3,885	30,888	29,294	-5.2%
Education	248	236	589	8,126	25,985	219.8%
Electronics	127		714	2,036	3,156	55.0%
Energy	318	743	1,290	1,811	8,315	359.1%
Entertainment/Leisure	1,442	1,351	9,368	13,141	31,054	136.3%
Financial	334	3,155	691	43,675	36,217	-17.1%
FinTech	185	262	50	11,187	4,971	-55.6%
Food	199	1,429	2,082	13,183	22,948	74.1%
Government	400	2	123	1,679	37,739	2147.7%
Health Care/Products	3,976	6,158	10,458	52,611	41,794	-20.6%
Industrial Goods	991	2,285	1,966	5,934	19,794	233.6%
Insurance	2,029	210	3,360	5,025	5,364	6.7%
Legal				1,115	102	-90.9%
Media	296	2,783	792	19,413	12,914	-33.5%
Mining	525		728	1,225	1,373	12.1%
Non-Profit	351	555	817	3,560	4,849	36.2%
Pharmaceutical	731	1,561	3,073	8,401	12,327	46.7%
Real Estate	270	333		6,940	4,692	-32.4%
Retail	14,958	1,412	3,951	70,713	28,440	-59.8%
Services	6,288	3,691	2,996	41,332	37,465	-9.4%
Technology	2,537	39,563	11,430	151,989	116,856	-23.1%
Telecommunications	38	423	5,150	18,683	10,280	-45.0%
Transportation	140	783	1,480	7,257	25,263	248.1%
Utility	449	5		1,122	8,879	691.4%
Warehousing	844	746	2,257	43,612	17,538	-59.8%
TOTAL	47,457	75,891	72,821	604,514	609,242	0.8%

Source: Challenger, Gray & Christmas, Inc. ©

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JOB CUT ANNOUNCEMENT REPORT
Table 3: JOB CUTS BY REGION, STATE

EAST	Sep-24	YTD 2024	YTD 2023
Connecticut	1,139	9,125	4,893
Delaware	650	700	430
Dist. of Columbia	262	34,788	2,274
Maine	14	473	571
Maryland	318	7,013	7,464
Massachusetts	1,239	16,574	12,649
New Hampshire		237	587
New Jersey	3,770	11,524	13,629
New York	5,956	65,070	72,569
Pennsylvania	218	11,349	10,972
Rhode Island	5,126	8,850	8,307
Vermont		357	40
TOTAL	18,692	166,060	134,385

MIDWEST	Sep-24	YTD 2024	YTD 2023
Illinois	1,635	18,866	21,699
Indiana	130	3,659	5,536
Iowa	1,033	7,245	1,807
Kansas	1,855	3,963	3,467
Michigan	2,970	21,318	27,498
Minnesota	966	8,261	13,593
Missouri	938	6,269	15,715
Nebraska		753	1,101
Ohio	1,819	22,651	11,134
Wisconsin	1,158	9,183	4,794
TOTAL	12,504	102,168	106,344

WEST	Sep-24	YTD 2024	YTD 2023
Alaska		70	128
Arizona	50	8,673	5,241
California	19,134	127,997	163,893
Colorado	8,262	13,467	4,749
Hawaii	1,400	2,975	317
Idaho	13	715	609
Montana	703	1,035	517
Nevada		9,845	7,266
New Mexico		893	685
North Dakota		5	39
Oklahoma	325	921	802
Oregon	276	10,140	3,247
South Dakota		711	253
Texas	1,533	66,179	33,803
Utah	100	1,878	2,716
Washington	779	19,310	35,841
Wyoming		1,902	12
TOTAL	32,575	266,716	260,118

SOUTH	Sep-24	YTD 2024	YTD 2023
Alabama		3,250	5,241
Arkansas	25	1,674	10,507
Florida	729	11,897	24,413
Georgia	837	17,422	2,548
Kentucky	327	2,717	1,259
Louisiana		1,284	2,333
Mississippi		727	2,997
North Carolina	270	8,411	17,554
South Carolina	20	4,135	812
Tennessee	5,476	14,737	32,093
Virginia	1,366	7,064	3,537
West Virginia		980	373
TOTAL	9,050	74,298	103,667

Table 4: JOB CUTS BY REASON

	Sep-24	YTD 2024
Cost-Cutting	15,750	141,700
Market/Economic Conditions	6,933	104,721
Closing	14,054	97,590
Restructuring	7,617	74,218
No Reason Provided	11,889	71,413
Technological Update (not AI)	2,900	18,125
Acquisition/Merger	6,129	15,658
Demand Downturn	290	14,237
Contract Loss	678	13,538
Artificial Intelligence	5,616	12,742
Voluntary Severance/Buyouts	102	12,347
Bankruptcy	344	10,700
Relocation (Domestic)	130	8,045
Financial Loss	330	5,314
Labor Dispute		2,264
Consolidation		1,428
COVID-19		1,272
Natural Disaster		1,150
Outsourcing Operations to Another US Company		1,037
Promoting In-Person Work		529
SB 17 (Prohibits DEI offices at Public Universities in TX)	59	450
Relocation (International)		336
Covid-19 Recovery		278
Funding Loss		150
TOTAL	72,821	609,242

**CHALLENGER, GRAY & CHRISTMAS, INC.
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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	578,510	318,165	240,233	151,122	1,288,030
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	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	77,515	76,284	154,329	363,824
2023	270,416	187,793	146,305	117,163	721,677
2024	257,254	177,391	174,597		609,242
AVG	199,720	179,475	175,300	186,025	

Source: Challenger, Gray & Christmas, Inc. ©

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

Table 6: ANNOUNCED HIRING PLANS BY MONTH

	2024	2023	2022	2021	2020	2019	2018	2017	2016
January	5,376	32,764	77,630	72,063	23,229	74,040	41,890	136,501	8,362
February	10,317	28,830	215,127	146,403	88,202	15,279	139,925	25,765	7,539
March	21,102	9,044	105,224	97,767	824,610	96,368	14,525	127,006	10,997
April	9,802	23,310	88,622	76,345	285,639	258,302	13,842	61,537	11,557
May	4,236	7,885	126,083	49,118	38,981	8,663	9,889	77,447	24,732
June	19,087	13,629	102,897	110,093	75,454	11,946	13,504	40,095	13,564
July	3,676	12,774	25,506	18,281	246,507	22,316	9,823	88,142	16,051
August	6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530	9,101
September	403,893	590,353	380,014	939,790	929,860	459,689	595,997	422,726	487,075
October		35,202	237,380	52,042	255,198	190,835	130,338	37,387	135,532
November		15,566	30,203	6,527	185,504	19,063	15,422	61,300	108,994
December		3,022	51,693	89,984	77,267	26,313	15,999	8,218	35,198
TOTAL	483,590	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654	868,702
Monthly Average	53,732	65,010	123,530	146,035	265,905	100,646	84,869	91,721	72,392
YTD	483,590	726,333	1,163,088	1,603,864	2,672,893	971,540	856,669	993,749	588,978

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	24-Sep	YTD 2024	YTD 2023
Aerospace/Defense		7,121	10,830
Apparel		310	20
Automotive		4,302	12,266
Chemical	50	602	1,175
Construction	300	4,104	6,568
Consumer Products	450	4,565	4,280
Education		1,542	1,823
Electronics		809	744
Energy		12,327	17,163
Entertainment/Leisure		1,400	20,294
Financial		65	7,877
FinTech		85	50
Food	400	4,085	4,809
Government		1,652	34,111
Health Care/Products		3,255	6,634
Industrial Goods	133	7,473	7,358
Insurance	50	50	229
Legal		0	20
Media		175	11
Mining		221	0
Non-Profit		60	3,017
Pharmaceutical		2,224	3,350
Real Estate		1,700	3,485
Retail	276,450	277,960	440,868
Services		986	5,731
Technology	350	14,013	18,706
Telecommunications	200	1,374	2,181
Transportation	125,510	127,956	105,352
Utility		1,345	1,420
Warehousing		1,829	5,961
TOTAL	403,893	483,590	726,333

Source: Challenger, Gray & Christmas, Inc. ©

CHALLENGER, GRAY & CHRISTMAS, INC.

JOB CUT ANNOUNCEMENT REPORT

Table 8: ANNOUNCED HOLIDAY HIRING PLANS

Company	2016	2017	2018	2019	2020	2021	2022	2023	2024
UPS	95,000	95,000	100,000	95,000	100,000	100,000	100,000	100,000	125,000
Target	77,500	100,000	120,000	133,000	130,000	100,000	100,000	100,000	100,000
Spirit Halloween									50,000
Bath & Body Works								32,500	32,700
Macy's	83,000	87,000	80,000	80,000	25,000	76,000	41,000	38,000	31,500
Burlington Stores		12,000							24,500
Aldis						20,000			13,000
JCPenney	40,000	40,000	39,000	37,000	1,700			10,000	10,000
1-800-FLOWERS.COM Inc.		8,000	8,000	8,000	10,000	10,000	8,000	8,000	8000
Radial	20,000	23,000	20,000	12,581	25,000	7,700	1,700	10,500	7,000
JW Marriott San Antonio						1,000			150
Amazon	120,000	120,000	100,000	200,000	100,000	150,000	150,000	250,000	
USPS						40,000	28,000	10,000	
Dick's Sporting Goods					9,000	10,000	9,000	8,600	
GEODIS							5,000	3,000	
Kohl's	69,000		90,000	90,000	90,000	90,000	90,000	2,700	
DHL Supply Chain					7,000				
Walmart					20,000	150,000	40,000		
Michaels		15,000	15,000	15,000	16,000	20,000	15,000		
See's Candies							5,000		
Boscov's						1,000	2,000		
Kroger		14,000	10,000		20,000	20,000	1,500		
Williams-Sonoma		2,000			2,500		1,000		
Legoland					150		400		
Opryland	300	400							
FedEx	50,000	50,000	55,000	55,000	70,000	90,000			
Dollar Tree				25,000	25,000	35,000			
Party City	35,000			25,000	20,000	17,000			
Shipt					100,000				
Lowe's					20,000				
Cherry Hill Programs					11,000				
Gap			65,000	30,000	10,000				
Hy-Vee					10,000				
Bass Pro Shop				7,000	7,000				
L Brands	4,000		4,000		4,000				
Kings Dominion					4,000				
Office Depot					3,000				
Sheetz					3,000				
Omaha Steaks					3,000				
Fresh Market					1,500				
Giant Eagle					1,300				
Meijer					200				
Nordstrom	11,400	13,650				28,600			
Toys"R"Us		12,500							
The Bon-Ton Stores	13,500	10,000							
McDonald's		3,179							
Fanatics		2,000							
Plow & Hearth		400							
GameStop									
Sports Authority									
Best Buy									
Versant Supply Chain	2,000								
XPO Logistics		6,000	8,000						
Hickory Farms (Food)									
Alter'd State				1,200					

Source: Challenger, Gray & Christmas, Inc. ©

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

Company	2016	2017	2018	2019	2020	2021	2022	2023	2024
Under Armour						1,000			
TOTAL	620,700	614,129	714,000	813,781	849,350	967,300	597,600	573,300	401,850