



Challenger, Gray & Christmas, Inc.
The original outplacement company



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FOR RELEASE AT 7:30 A.M. ET, MARCH 31, 2016

MONTHLY JOB CUTS FALL IN MARCH, Q1 TOTAL UP 31% Heavy Layoffs in Energy and Retail Drive Increase

CHICAGO, March 31, 2016 – Job cuts declined for the second consecutive month in March, as US-based employers announced plans to trim payrolls by 44,207 during the month, according to new figures released Thursday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

The March total was 28.2 percent lower than the 61,599 job cuts in February. It was the lowest monthly total since December, when 23,622 were announced.

Despite last month's decline, the March figure was 20.8 percent higher than the same month a year ago (36,594), making it the fourth consecutive year-over-year increase.

Through the first quarter of 2016, employers announced 180,920 job cuts, up 29 percent from the 140,241 cuts tracked the first three months of 2015. The first quarter saw 72.2 percent more job cuts than in the final quarter of 2015, when 105,079 job cuts were recorded.

Of the 180,920 job cuts announced in the first quarter, 46,053, or 25.4 percent, were directly attributed to falling oil prices. That is slightly lower than a year ago, when oil-related job cuts totaled 47,610. While there were fewer oil-related job cuts a year ago, they represented a larger portion of total job cuts, accounting for 34 percent of first-quarter layoff announcements.

“Job cuts have slowed since surging in the first two months of the year, but the pace is still well above that of 2015. And, it is not just the energy sector that is seeing heavier job cuts. Layoff announcement have increased significantly in the retail sector and computer sector, as well. While it may be too early to sound the alarm bells, the upward trend outside of the energy sector is somewhat worrisome,” said John Challenger, chief executive officer of Challenger, Gray & Christmas.

Indeed, first quarter job cuts were dominated by the energy sector, where employers announced 48,901 job cuts in the first three months of 2016. The three-month total is 29.3 percent higher compared to a year ago, when fewer than 37,811 energy cuts were reported.

However, the retail sector has also tallied significant gains in job cuts. To date, it has recorded the second highest number of job cuts, with 31,832, up 41 percent from the 22,502 announced in the first three months of 2015.

Meanwhile, the 17,002 job cuts in the computer sector are 148 percent higher than a year ago, when these firms announced 6,860 in the first quarter.

“What these sectors share in common is that they are all going through transformational changes. We, as a nation, and really as a global community, are changing the way we produce and consume energy. We are also changing the way we buy goods and services. Technology is in a constant state of change, and, currently, we are shifting away from computing at our desks to computing on our phones and tablets.

“These changes are necessary and inevitable, but they come with a cost in the form of job loss. However, while jobs are being lost in some areas, they are being created in others, including renewable energy, online retailing, and mobile computing,” said Challenger.

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

**TOP FIVE INDUSTRIES
Year To Date**

	2016	2015
Energy	52,901	37,811
Retail	31,832	22,502
Computer	17,002	6,860
Industrial Goods	10,839	17,783
Health Care/Products	7,935	5,417

MONTH BY MONTH TOTALS

	2016	2015
January	75,114	53,041
February	61,599	50,579
March	44,207	36,594
April		61,582
May		41,034
June		44,842
July		105,696
August		41,186
September		58,877
October		50,504
November		30,953
December		23,622
TOTAL	184,920	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	56,350
Arkansas	16,200
California	14,198
New York	7,187
Ohio	7,173

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-Mar	16-Feb	16-Mar	Jan-Mar 2015	Jan-Mar 2016
Aerospace/Defense	955	330	1,343	3,718	2,404
Apparel	372	70	123	579	193
Automotive	1,446	2,800	708	1,638	4,746
Chemical		6,640	160	293	6,950
Commodities		423	276	453	699
Computer	278	5,003	996	6,860	17,002
Construction				222	94
Consumer Products	592	165	2,806	977	3,845
Education	2,470	725	1,284	4,897	2,679
Electronics	1,810	1,400	51	2,906	1,966
Energy	1279	25051	3,747	37,811	48,901
Entertainment/Leisure	1,008	727	6,212	4,891	6,971
Financial	1,381	1,006	998	8,556	3,002
Food	1,214	1,914	2,071	3,923	5,711
Government	67	1,107	289	2,455	1,545
Health Care/Products	2,558	1205	6,236	5,417	7,935
Industrial Goods	9,389	4,060	3,770	17,738	10,839
Insurance	140	1,438	55	1,032	1,568
Legal	38		11	38	56
Media	709	334	442	1,334	1,612
Non-Profit	34	50	163	116	1,034
Pharmaceutical	1162	73	330	1,672	3,449
Real Estate			122	287	122
Retail	6,640	1,096	8,490	22,502	31,832
Services	819	2,176	1,108	1,809	3,439
Telecommunications	431	875	1,264	1,513	5,510
Transportation	1,513	2,931	1,152	5,688	6,795
Utility	289			889	21
TOTAL	36,594	61,599	48,207	140,214	184,920

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JOB CUTS BY REGION, STATE

EAST	MARCH	Y-T-D
New York	5,079	7,187
New Jersey	847	4,263
Pennsylvania	641	3,337
Massachusetts	1,395	1,865
Maine	224	333
Dist. of Columbia	257	257
Maryland	139	225
Delaware		183
Connecticut		175
Vermont	142	158
Rhode Island	58	118
New Hampshire		0
TOTAL	8,782	18,101

MIDWEST	MARCH	Y-T-D
Ohio	501	7,173
Iowa	157	6,717
Minnesota	6,300	6,658
Illinois	2,451	5,615
Wisconsin	3,006	5,204
Indiana		2,970
Missouri	310	1,660
Michigan	79	1,245
Kansas		979
Nebraska		0
TOTAL	12,804	38,221

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JOB CUTS BY REGION, STATE

WEST	MARCH	Y-T-D
Texas	4,145	56,350
California	4,098	14,198
Colorado	4,189	4,917
Oklahoma	1,159	3,185
Oregon	590	2,321
Washington	576	1,148
New Mexico	160	754
Nevada	100	716
Hawaii	578	700
Alaska	162	492
Montana	303	369
Utah	200	253
North Dakota	23	248
Arizona	120	132
South Dakota	64	64
Wyoming	50	50
Idaho	24	24
TOTAL	16,541	85,921

SOUTH	MARCH	Y-T-D
Arkansas	100	16,200
Virginia	426	6,819
N. Carolina	2,183	3,963
Florida	1,391	3,044
Georgia	2	1,703
Tennessee	141	1,685
Kentucky	615	1,475
Alabama	500	1,179
S. Carolina	527	962
West Virginia	10	741
Mississippi		672
Louisiana	185	234
TOTAL	6,080	38,677

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JOB CUTS BY REASON

	MARCH	YTD
Oil Prices	4,019	46,053
Restructuring	9,058	43,905
Closing	14,056	40,837
Merger/Acquisition	1,335	10,175
Cost-Cutting	2,764	9,913
Demand Downturn	3,182	8,657
Bankruptcy	6,300	6,772
Outsourcing	180	4,500
Voluntary Severance	1,900	1,900
Loss of Contract	494	1,542
Coal Downturn	101	1,372
Aluminum Prices		1,152
Relocation	541	884
Government Regulation		792
Budget Cuts		657
Steel Downturn	200	573
Economic Conditions		245
No Reason Provided		209
Labor Dispute		190
Legal Trouble		185
Financial Losses		125
Fire		100
Weather	72	72
Funding Loss		60
Competition		40
Flint, MI Water Crisis		5
Technological Update	5	5
TOTAL	44,207	180,920

**CHALLENGER, GRAY & CHRISTMAS, INC.
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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
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				180,920
AVG	201,650	156,780	181,213	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.
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**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		13,898	11,145	9,322	11,794	59,648
May		12,598	10,141	9,618	7,722	10,248
June		11,176	15,530	8,774	12,314	15,498
July		11,637	16,544	9,728	10,350	10,706
August		11,778	9,657	7,662	12,079	15,201
September		492,306	567,705	445,617	425,683	76,551
October		86,107	147,935	87,874	75,065	159,177
November		10,026	11,291	14,177	28,526	63,527
December		11,465	7,332	11,362	16,266	14,074
TOTAL	26,898	690,751	821,506	765,206	630,477	459,971

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ANNOUNCED HIRING PLANS

INDUSTRY	MARCH	YEAR-TO-DATE
Aerospace/Defense	670	1,870
Apparel		0
Automotive	155	945
Chemical	100	187
Commodities		0
Computer	820	2,894
Construction		150
Consumer Products		1,010
Education		0
Electronics	50	270
Energy		458
Entertainment/Leisure	300	300
Financial	200	500
Food	355	1,230
Government		230
Health Care/Products		1,549
Industrial Goods	194	1,803
Insurance	440	590
Legal		0
Media	200	200
Non-Profit		0
Pharmaceutical	1025	2,514
Real Estate		150
Retail	5,200	7,000
Services	488	1,088
Telecommunications	300	740
Transportation	500	1,220
Utility		0
TOTAL	10,997	26,898