

THE CHALLENGER REPORT

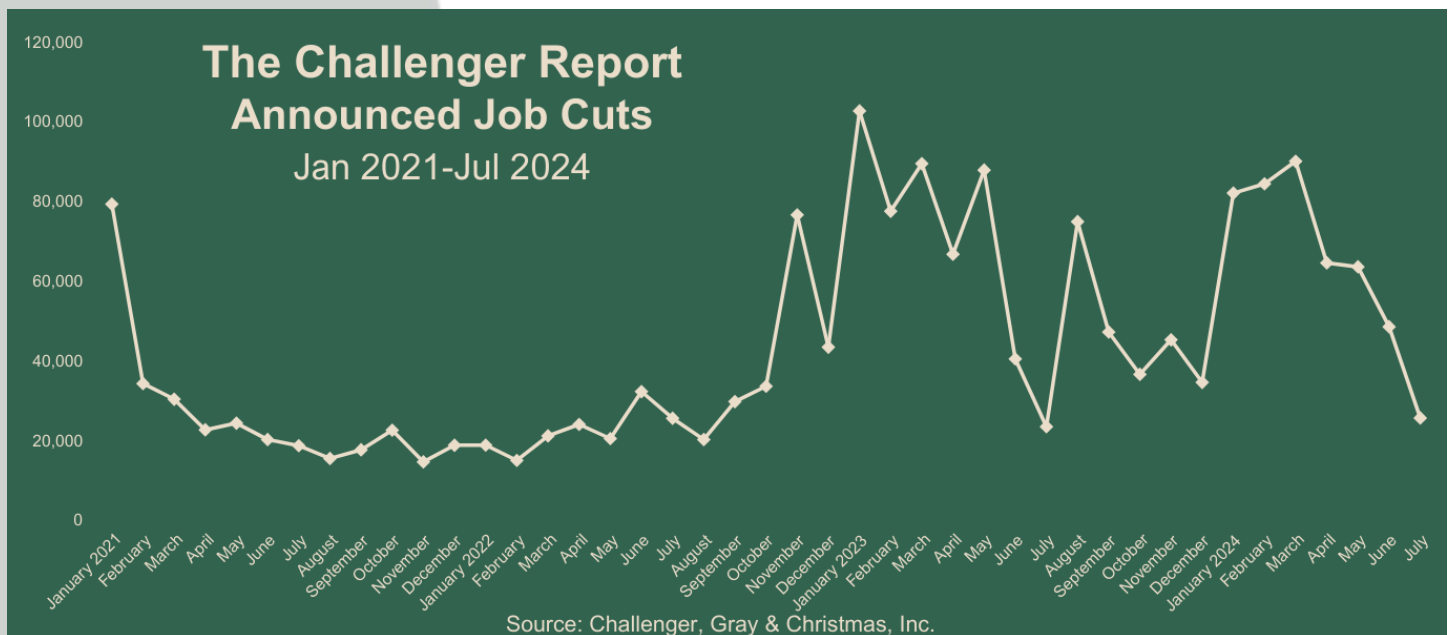
July 2024

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SUMMER JOB CUTS STAY LOW; HIRING TOTAL LOWEST SINCE 2012

CHICAGO, August 1, 2024 – U.S.-based employers announced 25,885 job cuts in July, a 47% decrease from the 48,786 cuts announced one month prior. It is up 9% from the 23,697 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.

July's total marks the fourth time this year cuts were higher than the corresponding month a year earlier. It is the highest total for the month since 2020, when 262,649 cuts were recorded.



So far this year, companies have announced 460,530 job cuts, down 4.4% from 481,906 cuts announced through July last year. With the 1,847,696 cuts recorded through July 2020, it is the third-highest year-to-date total since 2009 when 994,048 cuts were announced through July.

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

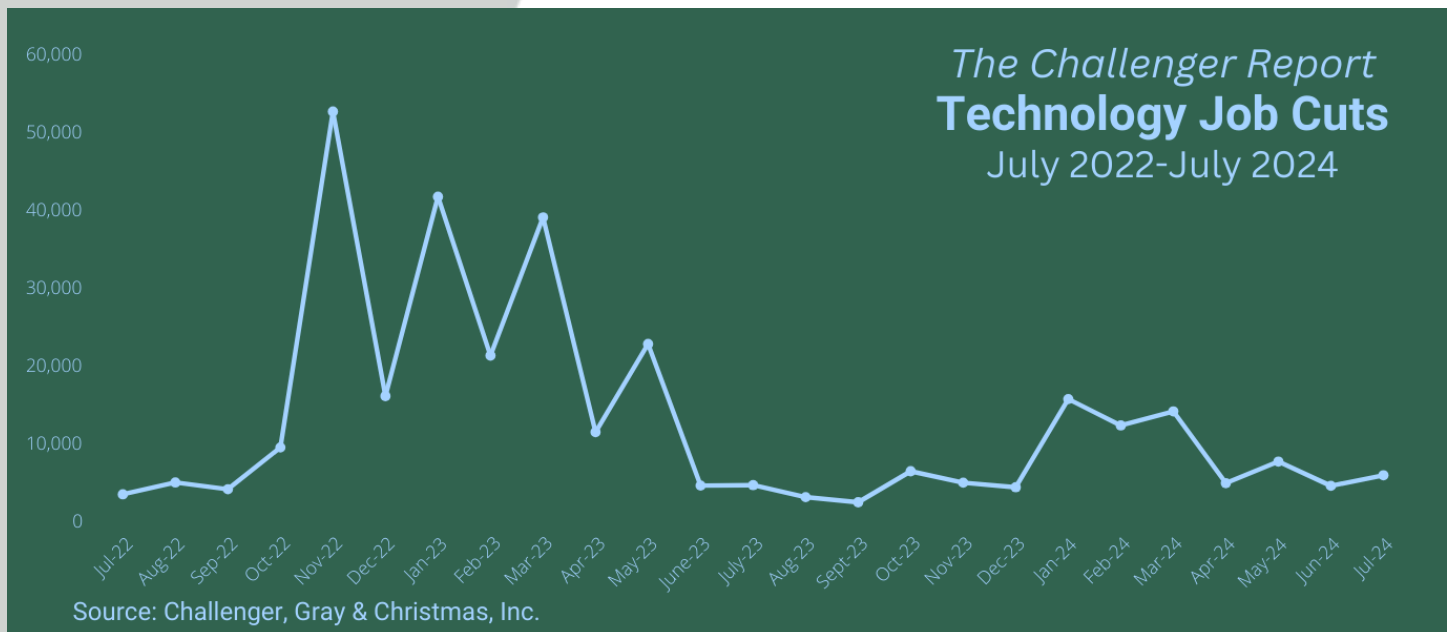
“The job market is indeed cooling, with hiring at the lowest point in over a decade. While we are seeing increased cuts in manufacturing sectors, both consumer and industrial, most industries are cutting below last year’s levels,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

Which Industries Cut Workers In July?

Technology

The Technology sector cut the most jobs in July with 6,009, for a total of 65,863. This leads all industries in job cut announcements in 2024 and is down 54% from 146,254 job cuts in the sector announced during the same period last year.

“Technology particularly is going through enormous change, and with earnings misses and years of hyper hiring for many of these companies, it’s not surprising the industry is leading in job cutting activity,” said Challenger.



Services

The Services sector cut the second-most jobs in July with 2,932. So far this year, this industry has announced 30,778, an 8% decrease from 33,290 cuts announced during the same period in 2023.

Food

Food manufacturers announced plans to cut 2,423 cuts in July for a total of 19,437. This is up 107% from the 9,387 cuts announced during the same time in 2023.

“Several factors are converging in the Food space to impact staffing, including shipping issues, new technology, and climate change. Meanwhile, the growing use of weight loss drugs may change how people eat and what these companies offer, further disrupting talent needs,” said Challenger.

Source: Challenger, Gray & Christmas, Inc. ©

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Consumer Products

Consumer Products manufacturers announced 1,807 job cuts in July, for a total of 22,846 in 2024. This is down 5% from the year-to-date total of 24,120 announced last year.

Health Care/Products

Health Care/Products companies, including hospitals, cut 1,711 jobs in July and 25,178 this year. This is down 39% from 40,947 announced in the same period last year.

Media & News

The Media industry, which includes television, film, streaming, and News, announced 589 cuts in July for a total of 9,339, down 51% from 19,086 announced in the industry through July 2023.

News, which includes digital, broadcast, and print, and is tracked as a subset of Media, announced 172 layoffs in July for a total of 2,569, up 10% from the 2,329 cuts tracked during the same period last year.

Why Are Companies Cutting?

“Cost-cutting” is the leading cause for job cuts in July and this year with 6,626 and 88,547 respectively. Market/Economic Conditions follows for the year with 81,359.

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		31	80	18
September		63	135	0
October		271	0	10
November		363	260	124
December		30	362	350
Total	2,569	3,087	1,808	1,511
YTD		2,329	971	1,009

Source: Challenger, Gray & Christmas, Inc. ©

Another 80,976 job cuts were attributed to store, unit, or department “Closing,” while 64,695 job cuts were caused by “Restructuring.”

Companies have not cited technology, with artificial intelligence directly or due to “technological update” for any job cuts since April.

Hiring Plans Lowest Since 2012

U.S. employers announced plans to hire 3,676 workers in July, the lowest monthly total since December 2023 when 3,022 hiring plans were announced. It is the lowest total for July since Challenger began keeping detailed hiring announcements in 2009.

For the year, employers have announced plans to hire 73,596 workers, the lowest year-to-date total since 2012, when 72,858 hiring plans were recorded.

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Source: Challenger, Gray & Christmas, Inc. ©

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES

Year To Date

	2024	2023
Technology	65,863	146,254
Government	37,614	1,143
Financial	32,371	41,565
Services	30,778	33,290
Health Care/Products	25,178	40,947

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		75,151
September		47,457
October		36,836
November		45,510
December		34,817
TOTAL	460,530	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	76,639	159,693
New York	53,053	65,781
Texas	49,586	31,157
Dist. of Columbia	34,220	1,724
Ohio	18,802	8,990

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-Jul	24-Jun	24-Jul	YTD 2023	YTD 2024
Aerospace/Defense	96	826	832	5,087	9,880
Apparel	123	6	441	1,494	6,025
Automotive	306	2,336	770	18,918	24,434
Chemical		149		675	1,195
Construction	337	4,613	425	3,090	8,886
Consumer Products	1,333	5,311	1,807	24,120	22,846
Education	2,282	3,742	1,172	7,390	25,160
Electronics	815	1,434		1,881	2,442
Energy		212	526	1,333	6,282
Entertainment/Leisure	181	1,714	1,022	11,246	20,335
Financial	1,797	1,475	838	41,565	32,371
FinTech	260	190	21	10,761	4,659
Food	866	1,593	2,423	9,387	19,437
Government		670	619	1,143	37,614
Health Care/Products	2,668	2,166	1,711	40,947	25,178
Industrial Goods	509	546	1,072	3,853	15,543
Insurance	101	331	70	2,945	1,794
Legal				877	102
Media	250	340	589	19,086	9,339
Mining		117	30	700	645
Non-Profit	655	491	135	2,931	3,477
Pharmaceutical	1,803	1,111	573	6,887	7,693
Real Estate	34	393	272	4,989	4,359
Retail	1,281	2,191	610	49,493	23,077
Services	1,470	3,076	2,932	33,290	30,778
Technology	4,738	4,647	6,009	146,254	65,863
Telecommunications	1,084	2,057	330	13,372	4,707
Transportation	494	1,979	394	6,874	23,000
Utility	164	91		673	8,874
Warehousing	50	4,979	262	10,645	14,535
TOTAL	23,697	48,786	25,885	481,906	460,530

Source: Challenger, Gray & Christmas, Inc. ©

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Table 3: JOB CUTS BY REGION, STATE

EAST	Jul-24	YTD 2024	YTD 2023
Connecticut		7,986	3,849
Delaware		50	430
Dist. of Columbia		34,220	1,724
Maine		459	491
Maryland	141	6,184	4,606
Massachusetts	3,012	13,561	10,846
New Hampshire		237	423
New Jersey	373	5,776	12,246
New York	1,357	53,053	65,781
Pennsylvania	400	10,864	8,893
Rhode Island	98	3,402	3,255
Vermont		357	40
TOTAL	5,381	136,149	112,584

MIDWEST	Jul-24	YTD 2024	YTD 2023
Illinois	2,771	15,893	16,246
Indiana	63	3,320	3,293
Iowa	1,415	5,597	1,117
Kansas	95	1,479	967
Michigan	400	16,939	26,777
Minnesota	556	6,834	12,986
Missouri		5,135	10,165
Nebraska	64	753	980
Ohio	596	18,802	8,990
Wisconsin	160	7,527	3,715
TOTAL	6,120	82,279	85,236

WEST	Jul-24	YTD 2024	YTD 2023
Alaska		70	101
Arizona		8,206	3,475
California	5,792	76,639	159,693
Colorado	395	4,750	3,763
Hawaii	10	1,411	169
Idaho	150	677	609
Montana		292	397
Nevada	130	9,043	5,095
New Mexico	130	835	295
North Dakota		5	39
Oklahoma	30	503	428
Oregon	367	8,106	3,050
South Dakota		600	253
Texas	2,465	49,586	31,157
Utah		1,778	2,716
Washington	293	17,887	28,341
Wyoming	30	1,902	12
TOTAL	9,792	182,290	239,593

SOUTH	Jul-24	YTD 2024	YTD 2023
Alabama	3	2,702	1,151
Arkansas	349	1,649	10,206
Florida	1,759	9,973	8,112
Georgia	437	16,298	1,764
Kentucky	264	2,332	1,053
Louisiana		1,214	2,333
Mississippi	160	727	2,997
North Carolina	561	6,471	11,603
South Carolina	26	3,783	812
Tennessee	468	8,664	1,989
Virginia	565	5,019	2,243
West Virginia		980	230
TOTAL	4,592	59,812	44,493

Table 4: JOB CUTS BY REASON

	Jul-24	YTD 2024
Cost-Cutting	6,626	88,547
Market/Economic Conditions	221	81,359
Closing	5,113	80,976
Restructuring	2,432	64,695
No Reason Provided	8,033	50,006
Technological Update (not AI)		15,225
Demand Downturn	1,608	13,797
Voluntary Severance/Buyouts		12,245
Contract Loss	377	11,875
Bankruptcy	271	10,356
Acquisition/Merger	437	9,254
Relocation (Domestic)	58	7,648
Financial Loss	559	4,679
Labor Dispute	150	2,264
Consolidation		1,428
COVID-19		1,272
Artificial Intelligence		1,183
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)		391
Relocation (International)		336
Covid-19 Recovery		278
TOTAL	25,885	460,530

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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			434,645
AVG	199,720	179,475	175,320	186,025	

Source: Challenger, Gray & Christmas, Inc. ©

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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		7,744	41,985	94,004	160,411	24,937	17,274	14,530	9,101
September		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	73,596	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654	868,702
Monthly Average	10,514	65,010	123,530	146,035	265,905	100,646	84,869	91,721	72,392
YTD	73,596	128,236	741,089	570,070	1,582,622	486,914	243,398	556,493	92,802

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JOB CUT ANNOUNCEMENT REPORT
Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	24-Jul	YTD 2024	YTD 2023
Aerospace/Defense		5,871	7,010
Apparel		310	0
Automotive		4,122	9,738
Chemical	100	552	950
Construction		3,804	5,497
Consumer Products	350	3,158	3,534
Education		670	733
Electronics	130	809	544
Energy		11,327	11,134
Entertainment/Leisure		1,400	20,012
Financial		65	5,912
FinTech		53	50
Food	200	3,279	4,014
Government		1,652	4,063
Health Care/Products	50	3,255	6,544
Industrial Goods	1,636	6,956	6,410
Insurance		0	29
Legal		0	0
Media		175	11
Mining		221	0
Non-Profit		60	2,957
Pharmaceutical	100	2,224	3,350
Real Estate		1,500	3,410
Retail		1,510	2,248
Services		766	5,469
Technology	100	13,263	14,836
Telecommunications	650	974	1,781
Transportation		2,446	5,107
Utility	360	1,345	611
Warehousing		1,829	2,282
TOTAL	3,676	73,596	128,236

Source: Challenger, Gray & Christmas, Inc. ©