

THE CHALLENGER REPORT

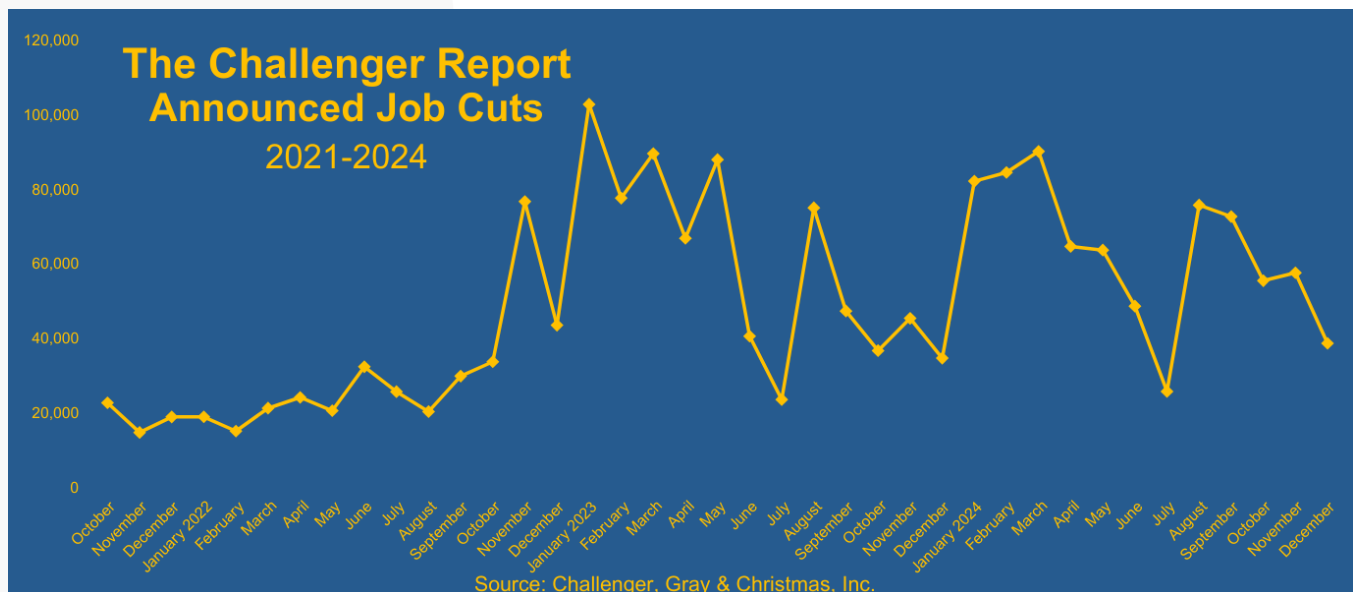
December 2024

JOB CUTS RISE 5.5% OVER LAST YEAR, 38,792 IN DECEMBER

CHICAGO, January 9, 2025 – U.S.-based employers announced 38,792 cuts in December, a 33% decrease from the 57,727 cuts announced one month prior. It is up 11% from the 34,817 cuts announced in the last month of 2023, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

In the final quarter of the year, companies announced plans to cut 152,116 jobs, down 13% from the 174,597 cuts announced in the third quarter of this year. It is up 30% from the 117,163 cuts announced in the same quarter of 2023.

In 2024, employers announced 761,358 job cuts, up 5.5% from 721,677 announced in 2023. It is the highest annual total since 2,304,755 cuts were announced in 2020. Except for 2020, it is the highest total since 2009, when employers planned 1,288,030.



“Companies underwent extraordinary change in 2024 due to rapid technological advancement and shifting economic conditions. Most employers are anticipating additional uncertainty with the upcoming administration, which is leading to slower hiring and more layoffs in the short term from various sectors,” said Andrew Challenger, workplace expert and Senior Vice President of Challenger, Gray & Christmas, Inc.

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Which Industries are Cutting Workers?

Technology

Last month, Technology announced 11,430 job cuts, the most of any sector. For the year, Technology announced 133,988 cuts, down 20.3% from the 168,032 announced through the same period last year.

Of the top industries, only Government is cutting at a faster pace than last year, primarily due to cuts in 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 8,998 cuts so far this year, up 524.4% from the 1,441 cuts announced through the same period last year. Energy, meanwhile, has announced 300.6% more cuts: 11,825 vs. 2,952 in 2023.

Apparel

Clothing manufacturers announced 8,477 job cuts through the year, up 106.6% from the 4,103 layoff announcements recorded last year.

Transportation and Industrial Manufacturing

Companies that transport people and goods have announced 27,216 cuts this year, an increase of 85.1% from the 14,701 cuts announced during the same period last year. Industrial Manufacturers have announced 22,876 job cuts, up 160.3% from the 8,790 announced during the same period last year.

Education and Entertainment/Leisure

Education has announced 28,968 cuts in 2024, a 177.9% increase compared to the 10,423 cuts in 2023. Entertainment/Leisure companies have cut 35,475 jobs through 2024, up 111.6% from the 16,766 cuts announced in the sector last year.

Consumer Products

Consumer Products firms announced 42,931 job cuts this year, reflecting a modest increase of 14.4% from the 37,515 announced last year.

Government

Government sector layoffs have skyrocketed, reaching 38,375 cuts year-to-date, a 1520.6% increase from the 2,368 announced in 2023. This increase is primarily attributed to significant reductions in armed services roles.

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Automotive

Automotive companies announced 2,399 job cuts last month, bringing the year-to-date total to 48,219. This marks a 43.2% increase from the 33,661 layoffs announced through the same period last year.

"The automotive sector is facing challenges stemming from supply chain disruptions and shifting market demands," said Challenger. "While some cuts reflect cost restructuring, others are tied to changes in production priorities as the industry transitions toward electric vehicles and other advanced technologies."

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	118	271	0	10
November	1,017	363	260	124
December	365	30	362	350
Total	4,902	3,087	1,808	1,511

Source: Challenger, Gray & Christmas, Inc. ©

Media & News

The Media industry, which includes television, film, streaming, and News, announced 15,039 job cuts this year, down 30% from the 21,417 announced in the industry in 2023.

News, which includes digital, broadcast, and print, and is tracked as a subset of Media, announced 365 layoff announcements in December. For the year, News announced 4,902 cuts, up 59% from the 3,087 cuts tracked in 2023. It is the highest total since 16,060 News cuts were recorded in 2020.

Job Cut Locations

East Region

The East region experienced a total of 197,988 job cuts year-to-date in 2024, up 15.8% from the 170,948 announced in 2023. Notable increases were seen in Massachusetts (19,832, up from 14,786) and Rhode Island (12,364, up from 10,233). The District of Columbia reported a dramatic rise in layoffs, jumping to 35,113 from just 4,593 last year, on a large announcement impacting the United States Army.

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Midwest Region

The Midwest reported 139,898 job cuts year-to-date in 2024, a 9% increase from the 128,316 recorded in 2023. Ohio saw the most significant rise, with layoffs reaching 30,869, more than doubling the 14,356 reported last year. Meanwhile, Minnesota experienced a steady increase to 17,436 from 15,411, and Iowa recorded a substantial rise to 8,467, up from 2,173.

West Region

Layoffs in the West region totaled 332,369 year-to-date, up 8.2% from the 307,103 reported in 2023. California remains the leader in job cuts, although layoffs decreased to 157,012 from 188,394 last year. Texas, on the other hand, experienced a surge, with layoffs climbing to 71,467 from 41,509 in 2023. Other notable increases occurred in Oregon (11,061, up from 5,039) and Colorado (14,924, up from 6,678).

South Region

The South region saw 91,103 layoffs year-to-date, a decrease of 21% from 115,310 in 2023. Notable reductions were recorded in Tennessee (17,644, down from 33,221) and Florida (14,928, down from 26,389). However, Georgia experienced a significant increase, with layoffs surging to 18,590 from 3,168 last year. North Carolina also reported a decrease, with 12,567 layoffs compared to 20,554 in 2023.

Hiring Trends: Lowest YTD Hiring Since 2015

U.S. employers announced 7,999 hiring plans in December, for a total of 769,953 hiring plans this year. This is down 1.3% from the 780,123 hiring plans recorded in all of 2023. It is the lowest annual total since 2015, when 690,751 hiring plans were announced.

"The slower hiring pace reflects ongoing uncertainty in economic conditions and cautious approaches by employers to expansion," said Challenger. "While certain sectors are accelerating recruitment, others remain hesitant due to market volatility and the impact of the new administration."

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Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES

Year To Date

	2024	2023
Technology	133,988	168,032
Health Care/Products	51,588	58,560
Automotive	48,219	33,661
Services	44,433	45,436
Consumer Products	42,931	37,515

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	55,597	36,836
November	57,727	45,510
December	38,792	34,817
TOTAL	761,358	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	157,012	188,394
New York	74,307	86,228
Texas	71,467	41,509
Washington	39,185	39,851
Dist. of Columbia	35,113	4,593

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

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Table 2: JOB CUTS BY INDUSTRY

	23-Dec	24-Nov	24-Dec	YTD 2023	YTD 2024	Percent Change
Aerospace/Defense		117		8,173	29,643	262.7%
Apparel	800	386	75	4,103	8,477	106.6%
Automotive	4,858	11,506	2,399	33,661	48,219	43.2%
Chemical		140	3	1,185	1,731	46.1%
Construction	302	654	181	5,655	11,760	108.0%
Consumer Products	2,416	7,323	1,743	37,515	42,931	14.4%
Education	125	759	1,743	10,423	28,968	177.9%
Electronics		1,412	145	2,791	4,917	76.2%
Energy	488	2,123		2,952	11,825	300.6%
Entertainment/Leisure	1,341	1,832	1,556	16,766	35,475	111.6%
Financial	6,260	2,130	723	57,052	41,478	-27.3%
FinTech	400	571	1,626	14,627	7,251	-50.4%
Food	1,100	2,331	10,068	17,014	37,128	118.2%
Government	577	415	214	2,368	38,375	1520.6%
Health Care/Products	802	2,433	4,339	58,560	51,588	-11.9%
Industrial Goods	273	1,358	902	8,790	22,876	160.3%
Insurance		468	119	9,006	6,577	-27.0%
Legal				1,437	202	-85.9%
Media	1,093	1,270	490	21,417	15,039	-29.8%
Mining	187	1,384		1,731	2,757	59.3%
Non-Profit	28	311		4,033	5,640	39.8%
Pharmaceutical	1,361	766	493	12,859	14,010	9.0%
Real Estate	41		20	7,465	4,712	-36.9%
Retail	110	2,267	3,283	78,840	41,686	-47.1%
Services	1,075	2,745	2,392	45,436	44,433	-2.2%
Technology	4,470	10,231	3,287	168,032	133,988	-20.3%
Telecommunications	227	51	253	20,668	10,584	-48.8%
Transportation	2,329	519	958	14,701	27,216	85.1%
Utility	169	35		1,441	8,998	524.4%
Warehousing	3,985	2,190	1,780	52,976	22,874	-56.8%
TOTAL	34,817	57,727	38,792	721,677	761,358	5.5%

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Table 3: JOB CUTS BY REGION, STATE

EAST	Dec-24	YTD 2024	YTD 2023
Connecticut	655	12,555	10,541
Delaware		2,000	430
Dist. of Columbia		35,113	4,593
Maine	75	548	602
Maryland	252	8,628	10,307
Massachusetts	1,348	19,832	14,786
New Hampshire		237	587
New Jersey	743	12,920	16,399
New York	2,745	74,307	86,228
Pennsylvania	2,590	18,941	16,169
Rhode Island	121	12,364	10,233
Vermont	74	543	73
TOTAL	8,603	197,988	170,948

SOUTH	Dec-24	YTD 2024	YTD 2023
Alabama	721	4,061	5,477
Arkansas	180	1,854	10,507
Florida	1,392	14,928	26,389
Georgia	183	18,590	3,168
Kentucky	323	4,540	1,575
Louisiana		1,303	3,633
Mississippi		1,028	3,197
North Carolina	557	12,567	20,554
South Carolina	299	5,621	2,098
Tennessee	780	17,644	33,221
Virginia	34	7,933	5,118
West Virginia	22	1,034	373
TOTAL	4,491	91,103	115,310

WEST	Dec-24	YTD 2024	YTD 2023
Alaska		70	128
Arizona		9,308	6,888
California	5,132	157,012	188,394
Colorado	246	14,924	6,678
Hawaii		3,261	412
Idaho		715	709
Montana		1,035	637
Nevada	880	12,224	8,296
New Mexico	75	968	1,343
North Dakota		104	39
Oklahoma		1,121	2,202
Oregon	921	11,061	5,039
South Dakota		1,762	410
Texas	1,361	71,467	41,509
Utah		6,250	4,537
Washington	898	39,185	39,851
Wyoming		1,902	31
TOTAL	9,513	332,369	307,103

MIDWEST	Dec-24	YTD 2024	YTD 2023
Illinois	1,561	23,476	27,209
Indiana	364	4,337	6,774
Iowa	272	8,467	2,173
Kansas	1,013	5,880	3,565
Michigan	1,382	28,732	31,801
Minnesota	8,591	17,436	15,411
Missouri	288	7,980	16,777
Nebraska		753	2,734
Ohio	886	30,869	14,356
Wisconsin	1,828	11,968	7,516
TOTAL	16,185	139,898	128,316

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Table 4: JOB CUTS BY REASON

	Dec-24	YTD 2024
Market/Economic Conditions	17,604	150,071
Cost-Cutting	556	148,459
Closing	9,445	137,827
Restructuring	2,777	90,153
No Reason Provided	834	77,352
Financial Loss	127	23,471
Acquisition/Merger	34	18,996
Technological Update (not AI)		18,125
Contract Loss	2,197	18,011
Bankruptcy	3,492	17,203
Demand Downturn	44	14,987
Voluntary Severance/Buyouts	1,400	14,868
Artificial Intelligence		12,742
Relocation (Domestic)	132	8,398
Labor Dispute		2,964
Outsourcing Operations to Another US Company		1,717
Consolidation		1,580
COVID-19		1,272
Natural Disaster		1,269
Promoting In-Person Work		529
Relocation (International)	150	486
SB 17 (Prohibits DEI offices at Public Universities in TX)		450
Covid-19 Recovery		278
Funding Loss		150
TOTAL	38,792	761,358

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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	152,116	761,358
AVG	199,720	179,475	175,300	185,083	

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Table 6: ANNOUNCED HIRING PLANS BY MONTH

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Jan	5,376	32,764	77,630	72,063	23,229	74,040	41,890	136,501	8,362
Feb	10,317	28,830	215,127	146,403	88,202	15,279	139,925	25,765	7,539
Mar	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
Aug	6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530	9,101
Sept	403,893	590,353	380,014	939,790	929,860	459,689	595,997	422,726	487,075
Oct	266,743	35,202	237,380	52,042	255,198	190,835	130,338	37,387	135,532
Nov	11,621	15,566	30,203	6,527	185,504	19,063	15,422	61,300	108,994
Dec	7,999	3,022	51,693	89,984	77,267	26,313	15,999	8,218	35,198
TOTAL	769,953	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654	868,702
Monthly Average	64,163	65,010	123,530	146,035	265,905	100,646	84,869	91,721	72,392

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Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	24-Dec	YTD 2024	YTD 2023
Aerospace/Defense	250	7,644	11,873
Apparel	250	560	602
Automotive	285	4,987	15,323
Chemical	45	868	1,275
Construction		4,537	7,500
Consumer Products	335	5,853	8,090
Education	87	1,629	1,956
Electronics		5,009	1,704
Energy		12,719	20,710
Entertainment/Leisure	1,115	2,515	20,495
Financial	300	392	8,407
FinTech		1,085	50
Food	100	5,159	8,115
Government	728	2,402	41,881
Health Care/Products		3,781	6,905
Industrial Goods	815	12,669	8,095
Insurance		695	479
Legal		0	20
Media		175	11
Mining		221	0
Non-Profit		60	3,137
Pharmaceutical	100	3,529	3,564
Real Estate		1,700	12,778
Retail	640	536,600	440,893
Services	1,170	2,490	6,925
Technology	1,500	16,207	20,498
Telecommunications		1,574	2,241
Transportation	180	128,147	105,652
Utility	39	3,791	1,951
Warehousing	60	2,955	18,993
TOTAL	7,999	769,953	780,123