



# CHALLENGER REPORT

## February 2026

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### LAYOFFS PLUNGE 55% TO 48,307 IN FEBRUARY; HIRING PLANS DOWN 56% YTD

**CHICAGO, March 5, 2026** – U.S.-based employers announced 48,307 job cuts in February, down 55% from the 108,435 job cuts in January. It is down 72% from the 172,017 cuts announced during the same month last year, according to a report released Thursday from global outplacement and executive coaching firm Challenger, Gray & Christmas.

Through February, employers announced 156,742 job cuts, the lowest January-to-February total since 2022, when 34,309 cuts were recorded in the first two months of the year. It is the fifth-highest January-February total since 2009.

“February’s dip is a nice reprieve from the elevated job cut plans to start the year. With U.S. involvement in a growing war in Iran, the end of Q1 may bring more layoff plans as companies tighten belts amid uncertainty and higher costs,” said Andy Challenger, workplace expert and chief revenue officer for Challenger, Gray & Christmas.



## WHICH INDUSTRIES CUT THE MOST IN FEBRUARY?

### Technology

Technology announced 11,039 job cuts in February for a total of 33,330 in 2026. That is an increase of 51% from the 22,042 cuts in this sector announced in the same period last year.

"Tech is responding to a number of pressures right now. AI is the big story, but there are also global regulatory concerns, a slowdown in digital advertising driven by tariffs and economic uncertainty, and higher costs to both employ workers and access funding, forcing companies to make difficult decisions," said Challenger.

### Education

Education followed with 5,417 job cuts in February for a total of 6,209, a 96% increase from the 3,160 cuts announced through February 2025.

"School districts tend to approve budgets and headcount in February. With declining enrollment, particularly in major cities, federal funding cuts and rising costs, schools are cutting more workers than last year," said Challenger.

### Industrial Manufacturing

Last month, companies that provide industrial materials and machinery cut 4,109 jobs for a total of 5,685 in 2026. That is an increase of 143% from the 2,341 cuts announced in this sector through February 2025.

### Transportation

Transportation has announced the second-most job cuts this year with 31,702, up 872% from the 3,261 cuts announced during the same period in 2025. The growing conflict in Iran will likely further impact Transportation companies as oil costs rise and supply chains are disrupted.

### Healthcare/Products

Healthcare companies and health products manufacturers, including Hospitals, have announced 19,228 job cuts this year, the highest January-February total on record.

### Media & News Cuts

The Media industry announced 630 cuts in February for a total of 1,140, up 22% from the 933 cuts announced through February 2025.

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News, which Challenger tracks as a subset of Media and includes broadcast, digital, and print, has announced 324 job cuts in February, primarily on an announcement from the Washington Post. This is the highest monthly total since May 2025 when 462 News cuts were recorded. So far this year, News has announced 389 job cuts, up 20% from the 324 cuts announced during the same period last year.

### **WHY ARE COMPANIES CUTTING?**

In February, store, unit, or department **Closings** led all reasons for job cuts, with 10,736 announced during the month. **Market and Economic Conditions** followed with 10,114 cuts. **Restructuring** was cited for 9,146 job cuts, while Cost-Cutting accounted for 5,636 planned layoffs.

So far in 2026, **Market and Economic Conditions** lead all reasons year-to-date with 38,506 cuts, followed by **Contract Loss** with 31,416, **Restructuring** with 29,190, and **Closings** with 23,474.

**Artificial Intelligence (AI)** was cited for 4,680 job cuts in February, approximately 10% of total cuts for the month. So far in 2026, AI has been cited for 12,304 job cut announcements, or 8% of job cut plans.

In 2025, companies referenced AI for 54,836 announced layoff plans, 5% of total cuts during the year. Since 2023, when this reason was first tracked, AI has been cited in 91,753 job cut announcements, approximately 3% of all layoff plans announced in that period.

### **HIRING PLANS IN 2026**

Hiring plans rose 140% in February to 12,755 from 5,306 in January. They are down 63% from the 34,580 hiring plans in February 2025. So far this year, employers have announced plans to hire 18,061, down 56% from 40,669 new hires during the same period in 2025.

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**Table 1: EXECUTIVE SUMMARY**

**TOP FIVE INDUSTRIES  
Year To Date**

	<b>2026</b>	<b>2025</b>
<b>Technology</b>	33,330	22,042
<b>Transportation</b>	31,702	3,261
<b>Healthcare/Products</b>	19,228	5,821
<b>Retail</b>	6,448	45,375
<b>Education</b>	6,209	3,160

**MONTH BY MONTH TOTALS**

	<b>2026</b>	<b>2025</b>
<b>January</b>	108,435	49,795
<b>February</b>	48,307	172,017
<b>March</b>		275,240
<b>April</b>		105,441
<b>May</b>		93,816
<b>June</b>		47,999
<b>July</b>		62,075
<b>August</b>		85,979
<b>September</b>		54,064
<b>October</b>		153,074
<b>November</b>		71,321
<b>December</b>		35,553
<b>TOTAL</b>	<b>156,742</b>	<b>1,206,374</b>

Some reductions are identified by employers as workers who will take early retirement offers or other special considerations to leave the company.

**LAYOFF LOCATION**

	<b>YTD 2026</b>	<b>YTD 2025</b>
<b>Georgia</b>	32,683	267
<b>California</b>	26,283	28,635
<b>Washington</b>	20,747	5,380
<b>Michigan</b>	20,145	5,431
<b>New York</b>	6,820	17,859

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**

	<b>25-Feb</b>	<b>26-Jan</b>	<b>26-Feb</b>	<b>YTD 2025</b>	<b>YTD 2026</b>
<b>Aerospace/Defense</b>	314	2,751	563	396	3,314
<b>Apparel</b>	218	2,055	953	851	3,008
<b>Automotive</b>	2,579	2,635	1,756	7,128	4,391
<b>Chemical</b>	68	4,701		1,792	4,701
<b>Construction</b>	371	577	720	798	1,297
<b>Consumer Products</b>	10,625	2,486	2,930	12,947	5,416
<b>Education</b>	3,012	792	5,417	3,160	6,209
<b>Electronics</b>	4,588	1,365	922	4,695	2,287
<b>Energy</b>	753	466	470	1,308	936
<b>Entertainment/Leisure</b>	2,887	1,136	2,103	3,884	3,239
<b>Financial</b>	6,894	3,635	648	11,423	4,283
<b>FinTech</b>	306	60	110	1,143	170
<b>Food</b>	1,544	1,354	2,460	4,287	3,814
<b>Government</b>	62,242	1,097	46	62,530	1,143
<b>Health Care/Products</b>	2,945	17,107	2,121	5,821	19,228
<b>Industrial Goods</b>	1,252	1,576	4,109	2,341	5,685
<b>Insurance</b>	608	712	2,265	1,936	2,977
<b>Legal</b>				0	0
<b>Media</b>	309	510	630	933	1,140
<b>Mining</b>	165	320	885	165	1,205
<b>Non-Profit</b>	1,519	948	285	1,573	1,233
<b>Pharmaceutical</b>	256	377	645	585	1,022
<b>Real Estate</b>	333	61	20	451	81
<b>Retail</b>	38,956	3,193	3,255	45,375	6,448
<b>Services</b>	8,874	2,523	1,621	13,804	4,144
<b>Technology</b>	14,554	22,291	11,039	22,042	33,330
<b>Telecommunications</b>	178	78	576	445	654
<b>Transportation</b>	1,849	31,243	459	3,261	31,702
<b>Utility</b>	444	47		655	47
<b>Warehousing</b>	3,374	2,339	1,299	6,083	3,638
<b>TOTAL</b>	<b>172,017</b>	<b>108,435</b>	<b>48,307</b>	<b>221,812</b>	<b>156,742</b>

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**Table 3: JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>Feb-26</b>	<b>YTD 2026</b>	<b>YTD 2025</b>
Connecticut	2,458	3,680	434
Delaware		0	0
Dist. of Columbia	300	1,300	61,795
Maine		190	0
Maryland	397	535	2,284
Massachusetts	1,052	2,608	4,070
New Hampshire	90	90	0
New Jersey	1,639	3,305	16,918
New York	1,925	6,820	17,859
Pennsylvania	956	2,488	3,661
Rhode Island		38	38
Vermont	193	212	50
<b>TOTAL</b>	<b>9,010</b>	<b>21,266</b>	<b>107,109</b>

<b>MIDWEST</b>	<b>Feb-26</b>	<b>YTD 2026</b>	<b>YTD 2025</b>
Illinois	893	2,022	3,392
Indiana	172	435	131
Iowa	430	877	911
Kansas	72	144	331
Michigan	431	20,145	5,431
Minnesota	570	852	2,079
Missouri	314	944	1,436
Nebraska		294	4,150
Ohio	985	3,078	22,592
Wisconsin	326	892	1,053
<b>TOTAL</b>	<b>4,193</b>	<b>29,683</b>	<b>41,506</b>

<b>WEST</b>	<b>Feb-26</b>	<b>YTD 2026</b>	<b>YTD 2025</b>
Alaska	500	500	0
Arizona	68	399	6,465
California	17,997	26,283	28,635
Colorado	130	1,563	1,383
Hawaii	334	673	221
Idaho	487	628	23
Montana		0	93
Nevada	2,000	2,004	1,136
New Mexico		0	0
North Dakota		140	0
Oklahoma	50	53	904
Oregon	1,237	3,208	56
South Dakota		0	0
Texas	606	1,560	12,916
Utah	115	183	57
Washington	1,221	20,747	5,380
Wyoming		0	0
<b>TOTAL</b>	<b>24,745</b>	<b>57,941</b>	<b>57,269</b>

<b>SOUTH</b>	<b>Feb-26</b>	<b>YTD 2026</b>	<b>YTD 2025</b>
Alabama	667	746	677
Arkansas		0	325
Florida	4,464	5,472	5,987
Georgia	1,268	32,683	267
Kentucky	568	703	1,523
Louisiana		85	0
Mississippi		0	151
North Carolina	1,148	2,151	2,083
South Carolina	775	1,619	218
Tennessee	340	1,627	4,202
Virginia	599	2,036	330
West Virginia	530	730	165
<b>TOTAL</b>	<b>10,359</b>	<b>47,852</b>	<b>15,928</b>

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**Table 4: JOB CUTS BY REASON**

	<b>Feb-26</b>	<b>YTD 2026</b>	<b>Full Year 2025</b>
Market/Economic Conditions	10,114	38,506	253,206
Contract Loss	632	31,416	16,797
Restructuring	9,146	29,190	133,611
Closing	10,736	23,474	191,480
Artificial Intelligence	4,680	12,304	54,836
Cost-Cutting	5,636	9,468	81,392
Acquisition/Merger	3,342	3,841	25,622
Demand Downturn	1,007	3,179	9,802
Technological Update (automation)	1,353	1,353	0
EV Tax Credit Expiration		1,100	7,648
DOGE Downstream Impact		826	20,976
Financial Loss	733	787	7,524
Relocation (International)	341	341	20
Bankruptcy	304	304	38,883
Tariffs		294	7,908
No Reason Provided	283	283	21,918
Relocation (Domestic)		55	4,847
Consolidation		21	1,590
COVID Recovery		0	705
COVID-19		0	36
DOGE Actions		0	293,753
Federal Cuts/Shutdown		0	9,058
Government Regulations		0	140
Labor Dispute		0	1,389
Natural Disaster		0	935
Outsourcing Operations to Another US Company		0	272
Plant Upgrades		0	512
Voluntary Severance/Buyouts		0	1,295
Technological Update (possible AI)		0	20,219
<b>TOTAL</b>	<b>48,307</b>	<b>156,742</b>	<b>1,206,374</b>

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**Table 5: QUARTER BY QUARTER**

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>TOTAL</b>
<b>1989</b>	9,850	10,100	24,085	67,250	<b>111,285</b>
<b>1990</b>	107,052	87,686	49,104	72,205	<b>316,047</b>
<b>1991</b>	110,056	76,622	147,507	221,107	<b>555,292</b>
<b>1992*</b>	110,815	85,486	151,849	151,850	<b>500,000</b>
<b>1993</b>	170,615	84,263	194,486	165,822	<b>615,186</b>
<b>1994</b>	192,572	107,421	117,706	98,370	<b>516,069</b>
<b>1995</b>	97,716	114,583	89,718	137,865	<b>439,882</b>
<b>1996</b>	168,695	101,818	91,784	114,850	<b>477,147</b>
<b>1997</b>	134,257	51,309	95,930	152,854	<b>434,350</b>
<b>1998</b>	139,140	131,303	161,013	246,339	<b>677,795</b>
<b>1999</b>	210,521	173,027	173,181	118,403	<b>675,132</b>
<b>2000</b>	141,853	81,568	168,875	221,664	<b>613,960</b>
<b>2001</b>	406,806	370,556	594,326	585,188	<b>1,956,876</b>
<b>2002</b>	478,905	292,393	269,090	426,435	<b>1,466,823</b>
<b>2003</b>	355,795	274,737	241,548	364,346	<b>1,236,426</b>
<b>2004</b>	262,840	209,895	251,585	315,415	<b>1,039,735</b>
<b>2005</b>	287,134	251,140	245,378	288,402	<b>1,072,054</b>
<b>2006</b>	255,878	180,580	202,771	200,593	<b>839,822</b>
<b>2007</b>	195,986	197,513	194,095	180,670	<b>768,264</b>
<b>2008</b>	200,656	275,292	287,142	460,903	<b>1,223,993</b>
<b>2009</b>	578,510	318,165	240,233	151,122	<b>1,288,030</b>
<b>2010</b>	181,183	116,494	113,595	118,701	<b>529,973</b>
<b>2011</b>	130,749	115,057	233,258	127,018	<b>606,082</b>
<b>2012</b>	143,094	139,997	102,910	137,361	<b>523,362</b>
<b>2013</b>	145,041	113,891	128,452	121,667	<b>509,051</b>
<b>2014</b>	121,341	124,693	117,374	119,763	<b>483,171</b>
<b>2015</b>	140,214	147,458	205,759	105,079	<b>598,510</b>
<b>2016</b>	180,920	132,834	121,858	91,303	<b>526,915</b>
<b>2017</b>	126,201	100,799	94,478	97,292	<b>418,770</b>
<b>2018</b>	140,379	104,800	120,879	172,601	<b>538,659</b>
<b>2019</b>	190,410	140,577	133,882	127,687	<b>592,556</b>
<b>2020</b>	346,683	1,238,364	497,215	222,493	<b>2,304,755</b>
<b>2021</b>	144,686	67,975	52,560	56,749	<b>321,970</b>
<b>2022</b>	55,696	77,515	76,284	154,329	<b>363,824</b>
<b>2023</b>	270,416	187,793	146,305	117,163	<b>721,677</b>
<b>2024</b>	257,254	177,391	174,597	152,116	<b>761,358</b>
<b>2025</b>	497,052	247,256	202,118	259,948	<b>1,206,374</b>
<b>AVG</b>	<b>207,756</b>	<b>181,307</b>	<b>176,025</b>	<b>187,106</b>	

Source: Challenger, Gray & Christmas

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**Table 6: ANNOUNCED HIRING PLANS**

**By Month**

	<b>2026</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>January</b>	<b>5,306</b>	<b>6,089</b>	5,376	32,764	77,630	72,063	23,229	74,040	41,890	136,501
<b>February</b>	<b>12,755</b>	<b>34,580</b>	10,317	28,830	215,127	146,403	88,202	15,279	139,925	25,765
<b>March</b>		<b>13,198</b>	21,102	9,044	105,224	97,767	824,610	96,368	14,525	127,006
<b>April</b>		<b>16,191</b>	9,802	23,310	88,622	76,345	285,639	258,302	13,842	61,537
<b>May</b>		<b>9,683</b>	4,236	7,885	126,083	49,118	38,981	8,663	9,889	77,447
<b>June</b>		<b>3,191</b>	19,087	13,629	102,897	110,093	75,454	11,946	13,504	40,095
<b>July</b>		<b>3,200</b>	3,676	12,774	25,506	18,281	246,507	22,316	9,823	88,142
<b>August</b>		<b>1,494</b>	6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530
<b>September</b>		<b>117,313</b>	403,893	590,353	380,014	939,790	929,860	459,689	595,997	422,726
<b>October</b>		<b>283,138</b>	266,743	35,202	237,380	52,042	255,198	190,835	130,338	37,387
<b>November</b>		<b>9,074</b>	11,621	15,566	30,203	6,527	185,504	19,063	15,422	61,300
<b>December</b>		<b>10,496</b>	7,999	3,022	51,693	89,984	77,267	26,313	15,999	8,218
<b>TOTAL</b>	<b>18,061</b>	<b>507,647</b>	<b>769,953</b>	<b>780,123</b>	<b>1,482,364</b>	<b>1,752,417</b>	<b>3,190,862</b>	<b>1,207,751</b>	<b>1,018,428</b>	<b>1,100,654</b>
<b>YTD</b>		<b>40,669</b>	<b>15,693</b>	<b>61,594</b>	<b>292,757</b>	<b>218,466</b>	<b>111,431</b>	<b>89,319</b>	<b>181,815</b>	<b>162,266</b>
<b>Monthly Average</b>		<b>42,304</b>	<b>64,163</b>	<b>65,010</b>	<b>123,530</b>	<b>146,035</b>	<b>265,905</b>	<b>100,646</b>	<b>84,869</b>	<b>91,721</b>

Source: Challenger, Gray & Christmas

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**Table 7: ANNOUNCED HIRING PLANS**

<b>INDUSTRY</b>	<b>26-Feb</b>	<b>YTD 2026</b>	<b>YTD 2025</b>
Aerospace/Defense	1,200	1,320	1,651
Apparel		0	0
Automotive	8,300	8,318	4,831
Chemical		0	0
Construction		154	0
Consumer Products	450	865	690
Education		10	0
Electronics		0	175
Energy	200	630	650
Entertainment/Leisure	90	190	28,000
Financial	300	300	75
FinTech		0	0
Food		100	0
Government	315	715	84
Health Care/Products		120	150
Industrial Goods	191	970	553
Insurance		2,500	0
Legal		0	0
Media		0	0
Mining		0	0
Non-Profit		0	0
Pharmaceutical		0	0
Real Estate		0	0
Retail	450	450	0
Services	359	359	45
Technology	150	150	3,225
Telecommunications		0	100
Transportation	500	500	0
Utility	250	410	250
Warehousing		0	190
<b>TOTAL</b>	<b>12,755</b>	<b>18,061</b>	<b>40,669</b>

Source: Challenger, Gray & Christmas