

March 2026



CHALLENGER REPORT

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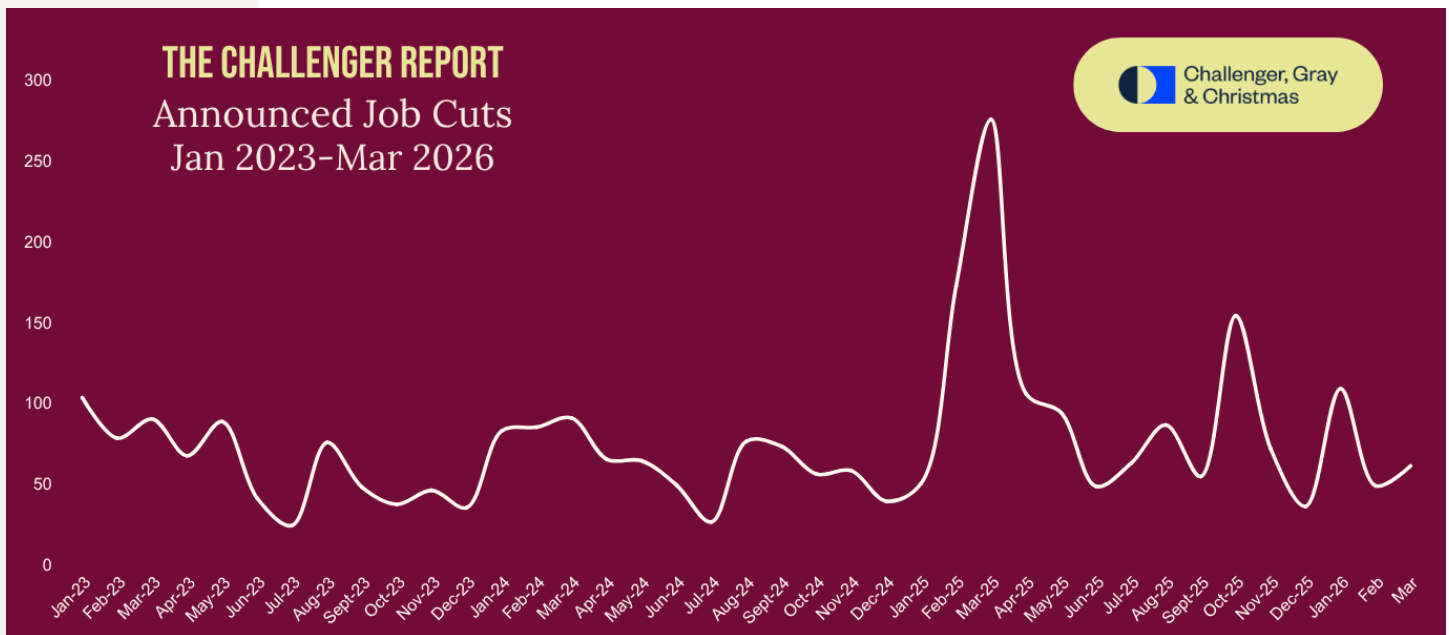
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LAYOFFS RISE 25% TO 60,620 IN MARCH; AI-RELATED CUTTING LEADS ALL REASONS IN MARCH

CHICAGO, April 2, 2026 – U.S.-based employers announced 60,620 job cuts in March, up 25% from 48,307 cuts announced in February. It is down 78% from the 275,240 cuts announced during the same month last year, according to a report released Thursday from global outplacement and executive coaching firm Challenger, Gray & Christmas.

“Removing the wave of federal layoffs announced in February and March of last year, job cut announcements in 2026 are closely following the pattern of 2025. Last year it was Government, Retail, and Technology. This year, it’s Technology, Transportation, and Healthcare,” said Andy Challenger, workplace expert and chief revenue officer for Challenger, Gray & Christmas.

In the first quarter, employers announced 217,362 job cuts, the lowest Q1 total since 2022, when 55,696 cuts were recorded. It is down 16% from the 259,948 recorded in the fourth quarter of 2025, and down 56% from the 497,052 cuts announced in the first quarter of 2025.



WHICH INDUSTRIES CUT THE MOST IN Q1?

Technology

Technology announced 18,720 job cuts in March for a total of 52,050 in 2026. That is an increase of 40% from the 37,097 cuts in this sector announced in the same period last year. It is the highest year-to-date total for the sector since 2023 when 102,391 Technology cuts were recorded.

More layoffs are likely to come from Technology companies in 2026. Last month's total was made up primarily on a workforce reduction at Dell Inc., according to their latest annual filing. Oracle reportedly began layoffs late last month, though the company has not released a total figure. Meta, meanwhile, is undergoing layoffs in its Reality Labs division as it focuses on pivoting to artificial intelligence.

"Companies are shifting budgets toward AI investments at the expense of jobs. The actual replacing of roles can be seen in Technology companies, where AI can replace coding functions. Other industries are testing the limits of this new technology, and while it can't replace jobs completely, it is costing jobs," said Challenger.

"The importance of upskilling and reskilling cannot be overstated. Workers need to familiarize themselves with AI, including prompting and generating assets. Many companies are now including goals for their workers on AI use and redefining job descriptions based on what AI can do.

"One thing that is clear is that AI is changing work and the workforce. Workers will need to be more strategic as they lead AI-powered agents that handle increasingly complex tasks. Human workers will need strong decision making and judgment skills in the age of AI," he added.

Transportation

Transportation has announced the second-most job cuts this year with 32,241, up 703% from the 4,017 cuts announced during the same period in 2025. Transportation industries, including airlines and shipping, will likely be squeezed by an ongoing war in Iran. It is the highest Q1 total for the sector on record.

Healthcare/Products

Healthcare companies and health products manufacturers, including Hospitals, have announced 23,520 job cuts this year, the highest Q1 total on record. The previous high occurred in 2023, when 22,950 job cuts were recorded for the sector in the first quarter.

Education

Education followed with 11,467 job cuts in the first quarter, a 170% increase from the 4,242 cuts announced through the first quarter of last year.

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Financial

Financial institutions have cut 9,397 jobs so far this year, down 41% from the 15,982 cuts announced during the same period in 2025.

“Financial institutions are being impacted by AI, but these companies are also undertaking traditional cost-cutting initiatives, particularly during a time of uncertainty and volatility in the markets,” said Challenger.

Media & News Cuts

The Media industry announced 352 cuts in March for a total of 1,492, down 18% from the 1,820 cuts announced through Q1 2025.

News, which Challenger tracks as a subset of Media and includes broadcast, digital, and print, has announced 250 job cuts in March. So far this year, News has announced 639 job cuts, up 12% from the 573 cuts announced during the same period last year.

WHY ARE COMPANIES CUTTING?

In March, **Artificial Intelligence (AI)** led all reasons for job cuts, with 15,341 announced during the month, 25% of total cuts. **Closings** followed with 13,931, **Restructuring** was cited for 8,726, and **Market and Economic Conditions** accounted for 6,597 planned layoffs.

So far in 2026, **Market and Economic Conditions** lead all reasons year-to-date with 45,103 cuts, followed by **Restructuring** with 37,916, **Closings** with 37,405, and **Contract Loss** with 31,817. **AI** ranks fifth year-to-date with 27,645 cuts, or roughly **13% of all 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 now been cited in 99,470 job cut announcements, 3.5% of all layoff plans that occurred during that period, up from 3% in February.

HIRING PLANS IN 2026

Hiring plans rose 157% in March to 32,826 from 12,755 in February. They are up 149% from the 13,198 hiring plans in March 2025. So far this year, employers have announced plans to hire 50,887 workers, down 6% from 53,867 new hires announced during the same period in 2025.

Just over 21% of last month's announced hiring plans were seasonal summer jobs. So far in 2026, Automotive leads all industries in hiring plans with 12,258, followed by Entertainment/Leisure with 8,261.

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Table 1: EXECUTIVE SUMMARY

**TOP FIVE INDUSTRIES
Year To Date**

	2026	2025
Technology	52,050	37,097
Transportation	32,241	4,017
Health Care/Products	23,520	11,840
Education	11,467	4,242
Financial	9,397	15,982

MONTH BY MONTH TOTALS

	2026	2025
January	108,435	49,795
February	48,307	172,017
March	60,620	275,240
April		105,441
May		93,816
June		47,999
July		62,075
August		85,979
September		54,064
October		153,074
November		71,321
December		35,553
TOTAL	217,362	1,206,374

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

LAYOFF LOCATION

	YTD 2026	YTD 2025
Georgia	33,935	564
California	33,212	37,134
Washington	22,028	5,905
Michigan	21,683	6,678
Texas	17,353	17,160

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**

	25-Mar	26-Feb	26-Mar	YTD 2025	YTD 2026
Aerospace/Defense	618	563	119	1,014	3,433
Apparel	200	953	299	1,051	3,307
Automotive	18	1,756	3,160	7,146	7,551
Chemical	34		173	1,826	4,874
Construction	106	720	118	904	1,415
Consumer Products	1,672	2,930	2,508	14,619	7,924
Education	1,082	5,417	5,258	4,242	11,467
Electronics	508	922	1,050	5,203	3,337
Energy	466	470	72	1,774	1,008
Entertainment/Leisure	2,453	2,103	1,115	6,337	4,354
Financial	4,559	648	5,114	15,982	9,397
FinTech		110	502	1,143	672
Food	607	2,460	1,505	4,894	5,319
Government	216,915	46	1,127	279,445	2,270
Health Care/Products	6,019	2,121	4,292	11,840	23,520
Industrial Goods	1,371	4,109	1,235	3,712	6,920
Insurance	100	2,265	389	2,036	3,366
Legal				0	0
Media	887	630	352	1,820	1,492
Mining	1,228	885	60	1,393	1,265
Non-Profit	1,384	285	513	2,957	1,746
Pharmaceutical	338	645	5,356	923	6,378
Real Estate	179	20	101	630	182
Retail	11,709	3,255	2,446	57,084	8,894
Services	4,246	1,621	2,543	18,050	6,687
Technology	15,055	11,039	18,720	37,097	52,050
Telecommunications	395	576	688	840	1,342
Transportation	756	459	539	4,017	32,241
Utility	411		135	1,066	182
Warehousing	1,924	1,299	1,131	8,007	4,769
TOTAL	275,240	48,307	60,620	497,052	217,362

Source: Challenger, Gray & Christmas

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Table 3: JOB CUTS BY REGION, STATE**

EAST	Mar-26	YTD 2026	YTD 2025
Connecticut		3,680	683
Delaware	50	50	90
Dist. of Columbia	410	1,710	278,711
Maine	10	200	216
Maryland	444	979	5,407
Massachusetts	1,537	4,145	5,049
New Hampshire		90	0
New Jersey	1,353	4,658	18,618
New York	5,785	12,605	41,926
Pennsylvania	4,914	7,402	4,833
Rhode Island	52	90	373
Vermont		212	86
TOTAL	14,555	35,821	355,992

MIDWEST	Mar-26	YTD 2026	YTD 2025
Illinois	5,494	7,516	4,566
Indiana	482	917	407
Iowa	454	1,331	1,334
Kansas		144	469
Michigan	1,538	21,683	6,678
Minnesota		852	2,592
Missouri	65	1,009	1,727
Nebraska		294	4,150
Ohio	1,263	4,341	24,059
Wisconsin	1,555	2,447	1,081
TOTAL	10,851	40,534	47,063

WEST	Mar-26	YTD 2026	YTD 2025
Alaska		500	0
Arizona		399	9,541
California	6,929	33,212	37,134
Colorado	132	1,695	1,815
Hawaii	318	991	231
Idaho	110	738	123
Montana	70	70	93
Nevada	952	2,956	1,197
New Mexico		0	0
North Dakota		140	0
Oklahoma	39	92	904
Oregon	322	3,530	56
South Dakota		0	277
Texas	15,793	17,353	17,160
Utah	8	191	57
Washington	1,281	22,028	5,905
Wyoming	9	9	28
TOTAL	25,963	83,904	74,521

SOUTH	Mar-26	YTD 2026	YTD 2025
Alabama	570	1,316	1,247
Arkansas		0	325
Florida	3,486	8,958	7,427
Georgia	1,252	33,935	564
Kentucky	165	868	1,897
Louisiana		85	0
Mississippi		0	151
North Carolina	2,134	4,285	2,756
South Carolina	252	1,871	412
Tennessee	1,062	2,689	4,202
Virginia	330	2,366	330
West Virginia		730	165
TOTAL	9,251	57,103	19,476

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Table 4: JOB CUTS BY REASON**

	Mar-26	YTD 2026
Market/Economic Conditions	6,597	45,103
Restructuring	8,726	37,916
Closing	13,931	37,405
Contract Loss	401	31,817
Artificial Intelligence	15,341	27,645
Cost-Cutting	6,514	15,982
Acquisition/Merger	3,693	7,534
Demand Downturn	1,523	4,702
EV Tax Credit Expiration	958	2,058
Bankruptcy	1,317	1,621
Technological Update (automation)		1,353
Financial Loss	85	872
DOGE Downstream Impact		826
No Reason Provided	259	542
Relocation (Domestic)	394	449
Voluntary Severance/Buyouts	361	361
Relocation (International)		341
Consolidation	296	317
Tariffs		294
Government Regulations	148	148
Legal Trouble	76	76
TOTAL	60,620	217,362

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JOB CUT ANNOUNCEMENT REPORT**

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
2025	497,052	247,256	202,118	259,948	1,206,374
2026	217,362				217,362
AVG	208,009	181,307	176,025	187,106	

Source: Challenger, Gray & Christmas

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JOB CUT ANNOUNCEMENT REPORT**

Table 6: ANNOUNCED HIRING PLANS

By Month

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
January	5,306	6,089	5,376	32,764	77,630	72,063	23,229	74,040	41,890	136,501
February	12,755	34,580	10,317	28,830	215,127	146,403	88,202	15,279	139,925	25,765
March	32,826	13,198	21,102	9,044	105,224	97,767	824,610	96,368	14,525	127,006
April		16,191	9,802	23,310	88,622	76,345	285,639	258,302	13,842	61,537
May		9,683	4,236	7,885	126,083	49,118	38,981	8,663	9,889	77,447
June		3,191	19,087	13,629	102,897	110,093	75,454	11,946	13,504	40,095
July		3,200	3,676	12,774	25,506	18,281	246,507	22,316	9,823	88,142
August		1,494	6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530
September		117,313	403,893	590,353	380,014	939,790	929,860	459,689	595,997	422,726
October		283,138	266,743	35,202	237,380	52,042	255,198	190,835	130,338	37,387
November		9,074	11,621	15,566	30,203	6,527	185,504	19,063	15,422	61,300
December		10,496	7,999	3,022	51,693	89,984	77,267	26,313	15,999	8,218
TOTAL	50,887	507,647	769,953	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654
YTD		53,867	36,795	70,638	397,981	316,233	936,041	185,687	196,340	289,272
Monthly Average		42,304	64,163	65,010	123,530	146,035	265,905	100,646	84,869	91,721

Source: Challenger, Gray & Christmas

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Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	26-Mar	YTD 2026	YTD 2025
Aerospace/Defense	5,450	6,770	2,251
Apparel		0	98
Automotive	3,940	12,258	4,831
Chemical	163	163	0
Construction	455	609	0
Consumer Products	3,950	4,815	1,065
Education	132	142	0
Electronics	350	350	175
Energy	620	1,250	650
Entertainment/Leisure	8,071	8,261	28,000
Financial		300	75
FinTech		0	1,000
Food	307	407	96
Government	4,203	4,918	7,056
Health Care/Products	510	630	150
Industrial Goods	2,690	3,660	1,685
Insurance	75	2,575	0
Legal		0	0
Media		0	0
Mining		0	900
Non-Profit	32	32	0
Pharmaceutical	75	75	0
Real Estate		0	0
Retail	675	1,125	0
Services	348	707	70
Technology	100	250	4,510
Telecommunications		0	100
Transportation	480	980	105
Utility	200	610	760
Warehousing		0	290
TOTAL	32,826	50,887	53,867

Source: Challenger, Gray & Christmas