

June 2026 CHALLENGER REPORT

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JUNE LAYOFFS COOL TO 45,849, DOWN 53% FROM MAY; AI LEADS REASONS FOR FOURTH CONSECUTIVE MONTH

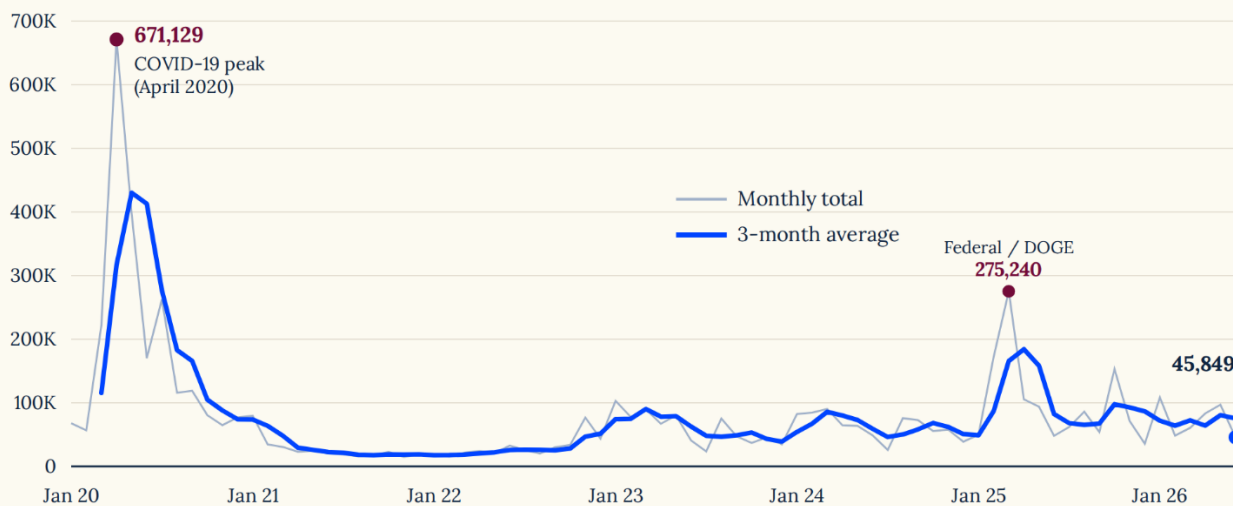
CHICAGO, July 1, 2026 – U.S.-based employers announced 45,849 job cuts in June, down 53% from the 97,006 cuts announced in May. June's total is down 4% from the 47,999 cuts announced in the same month last year, and marks the lowest monthly total since December 2025, according to a report released Wednesday from global outplacement and executive coaching firm Challenger, Gray & Christmas.

Through June, employers have announced 443,604 job cuts, down 40% from the 744,308 cuts announced in the first half of 2025. It is the second-highest January-to-June total since 2020, trailing only last year's government-driven surge. This is the fourth time this year job cuts were lower than the corresponding month one year earlier.

Employers announced 226,242 job cuts in the second quarter of 2026, up 4% from the 217,362 cuts announced in the first quarter. It is down 9% from the 247,256 cuts announced in the second quarter of 2025.

U.S. JOB CUTS BY MONTH

Announced layoffs at U.S.-based employers, January 2020–June 2026



Source: Challenger, Gray & Christmas, Inc.

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“The pace of layoffs cooled considerably in June, similar to plans last June, and as is typical for summer months. That said, the cuts we are seeing remain concentrated in technology, and artificial intelligence continues to reshape how companies think about headcount,” said Andy Challenger, workplace expert and chief revenue officer for Challenger, Gray & Christmas.

WHICH INDUSTRIES CUT THE MOST IN JUNE?

Technology

Technology again led all sectors, announcing 15,503 job cuts in June for a total of 139,156 in 2026. That is an increase of 83% from the 76,214 cuts announced in this sector through June 2025. Technology now accounts for nearly a third of all job cuts announced this year.

“Tech remains the epicenter of this year’s cuts. AI is the dominant force as companies are restructuring around it, automating roles, and reallocating budgets toward new capabilities. The sector is being reshaped in real time,” said Challenger.

Services

Services followed in June with 4,296 cuts, bringing the year-to-date total to 21,361. That is down 56% from the 48,736 cuts announced in this sector through June 2025.

Food

Food producers and manufacturers announced 3,955 cuts in June for a total of 13,075 in 2026, up 30% from the 10,093 cuts announced through June 2025.

Health Care/Products

Health Care companies and health products manufacturers, including hospitals, announced 2,761 cuts in June for a year-to-date total of 33,175, up 10% from the 30,076 cuts announced through the first half of 2025.

Transportation

Transportation has announced the second-most cuts among all industries this year with 40,970, up 387% from the 8,419 announced during the same period in 2025, as the sector continues to absorb elevated costs and shifting trade conditions.

Media & News Cuts

The Media industry has announced 3,488 cuts so far in 2026, down 27% from the 4,752 cuts announced during the same period last year.

News, which Challenger tracks as a subset of Media and includes broadcast, digital, and print, has announced 1,038 cuts year-to-date, down 9% from the 1,139 News cuts announced through June 2025.

WHY ARE COMPANIES CUTTING?

In June, Artificial Intelligence led all reasons for job cuts, with 14,029 announced during the month, or 31%. So far this year, AI has been cited in 101,743 job cut announcements, approximately 23% of all cuts.

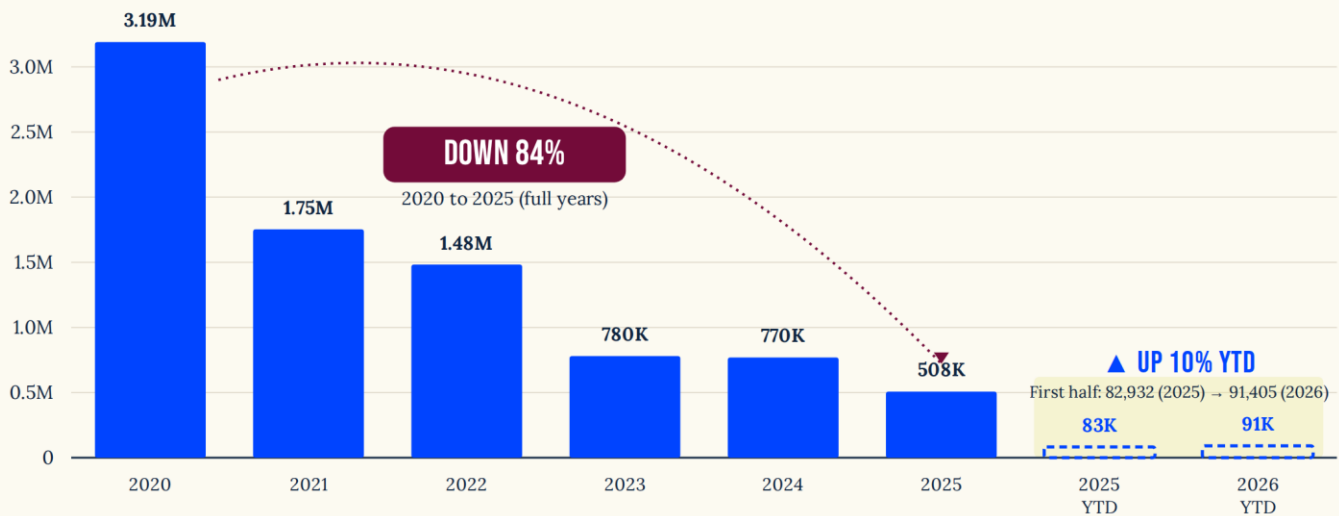
Since 2023, when AI was first tracked as a distinct reason, it has been cited in 173,568 job cut announcements.

Market and Economic Conditions followed for the month with 12,470 cuts for a total of 82,115. Closings accounted for 11,837 in June and 78,570 for the year. Restructuring was cited for 2,412 cuts and Loss of Contract for 1,696 (38,755 through June 2026).

HIRING PLANS IN 2026

HIRING PLANS COLLAPSED 2020-2025

YTD 2026 up 10%



Source: Challenger, Gray & Christmas, Inc. | YTD bars reflect January-June; full-year bars are annual totals.

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Employers announced plans to hire 10,933 workers in June, down 44% from the 19,536 plans announced in May, though well above the 3,191 announced in June 2025. So far this year, companies have announced plans to hire 91,405 workers, up 10% from the 82,932 plans announced through the first half of 2025.

“Employers appear to be modestly hiring more workers this year, which would buck the trend since 2020,” said Challenger.

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Table 1: EXECUTIVE SUMMARY
TOP FIVE INDUSTRIES — Year To Date

Industry	2026	2025
Technology	139,156	76,214
Transportation	40,970	8,419
Health Care/Products	33,175	30,076
Services	21,361	48,736
Government	17,790	288,628

MONTH BY MONTH TOTALS

Month	2026	2025
January	108,435	49,795
February	48,307	172,017
March	60,620	275,240
April	83,387	105,441
May	97,006	93,816
June	45,849	47,999
July		62,075
August		85,979
September		54,064
October		153,074
November		71,321
December		35,553
TOTAL	443,604	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

State	YTD 2026	YTD 2025
California	83,161	100,084
Texas	41,092	30,533
Georgia	37,261	26,656
Washington	35,135	16,764
Michigan	29,411	10,328

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

Industry	25-Jun	26-May	26-Jun	YTD 2025	YTD 2026
Aerospace/Defense	237	1,037	1,140	1,623	5,817
Apparel	312	0	195	1,721	4,902
Automotive	809	3,807	1,268	11,908	15,338
Chemical	0	100	1	2,196	5,076
Construction	216	569	43	2,076	2,396
Consumer Products	9,500	3,229	2,438	31,423	16,920
Education	1,545	168	58	11,658	15,486
Electronics	251	223	221	6,194	4,100
Energy	1,294	135	444	6,893	1,898
Entertainment/Leisure	1,437	2,156	1,668	12,604	9,581
Financial	4,164	3,616	1,120	25,798	15,469
FinTech	89	5,731	719	1,232	7,122
Food	2,838	1,042	3,955	10,093	13,075
Government	3,801	4,499	1,872	288,628	17,790
Health Care/Products	4,068	3,252	2,761	30,076	33,175
Industrial Goods	62	1,371	1,862	5,629	11,032
Insurance	334	3,219	209	2,956	6,819
Legal	111	0	0	403	0
Media	645	436	98	4,752	3,488
Mining	768	62	71	2,301	1,490
Non-Profit	2,912	2,003	983	16,930	7,402
Pharmaceutical	499	5,045	247	1,962	12,732
Real Estate	36	64	22	1,364	321
Retail	4,063	1,616	1,055	79,865	12,736
Services	4,463	6,268	4,296	48,736	21,361
Technology	1,498	38,242	15,503	76,214	139,156
Telecommunications	630	253	262	14,894	2,269
Transportation	1,063	6,909	582	8,419	40,970
Utility	76	98	29	1,518	588
Warehousing	278	1,856	2,727	34,242	15,095
TOTAL	47,999	97,006	45,849	744,308	443,604

Source: Challenger, Gray & Christmas

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Table 3: JOB CUTS BY REGION, STATE

EAST	Jun-26	YTD 2026	YTD 2025
Connecticut	114	4,260	1,440
Delaware	0	117	209
Dist. of Columbia	30	11,259	289,586
Maine	100	300	4,711
Maryland	251	3,238	6,864
Massachusetts	986	13,140	7,206
New Hampshire	0	90	35
New Jersey	12,688	24,646	23,138
New York	1,843	20,432	73,405
Pennsylvania	2,516	12,112	13,633
Rhode Island	0	162	939
Vermont	303	739	164
TOTAL	18,831	90,495	421,330

MIDWEST	Jun-26	YTD 2026	YTD 2025
Illinois	2,866	13,406	8,242
Indiana	1,520	3,627	1,019
Iowa	800	2,859	5,114
Kansas	0	418	2,700
Michigan	539	29,411	10,328
Minnesota	285	1,821	4,833
Missouri	197	2,026	3,120
Nebraska	450	1,217	4,398
Ohio	863	8,547	37,380
Wisconsin	0	3,859	2,158
TOTAL	7,520	67,191	79,292

WEST	Jun-26	YTD 2026	YTD 2025
Alaska	110	610	1,602
Arizona	976	3,029	11,450
California	6,203	83,161	100,084
Colorado	299	6,478	3,067
Hawaii	46	1,047	431
Idaho	0	949	258
Montana	0	132	244
Nevada	60	3,495	1,715
New Mexico	150	285	203
North Dakota	0	180	0
Oklahoma	0	92	1,561
Oregon	575	7,176	2,008
South Dakota	0	53	373

WEST	Jun-26	YTD 2026	YTD 2025
Texas	2,012	41,092	30,533
Utah	0	477	920
Washington	1,247	35,135	16,764
Wyoming	0	9	28
TOTAL	11,678	183,400	171,241

SOUTH	Jun-26	YTD 2026	YTD 2025
Alabama	1,597	3,244	6,530
Arkansas	70	1,262	520
Florida	1,198	19,622	15,314
Georgia	1,250	37,261	26,656
Kentucky	92	2,632	2,487
Louisiana	0	85	1,159
Mississippi	493	1,337	660
North Carolina	797	7,471	4,338
South Carolina	16	5,154	2,112
Tennessee	1,231	17,532	7,205
Virginia	1,004	5,884	4,475
West Virginia	72	1,034	989
TOTAL	7,820	102,518	72,445

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Table 4: JOB CUTS BY REASON

Reason	Jun-26	YTD 2026
Artificial Intelligence	14,029	101,743
Market/Economic Conditions	12,470	82,115
Closing	11,837	78,570
Restructuring	2,412	54,661
Contract Loss	1,696	38,755
Cost-Cutting	1,559	34,218
Acquisition/Merger	678	12,667
Voluntary Severance/Buyouts	0	9,819
Bankruptcy	341	9,229
Demand Downturn	103	8,488
Financial Loss	283	2,590
EV Tax Credit Expiration	0	2,058
No Reason Provided	230	1,837
Relocation (Domestic)	0	1,449
Federal Cuts/Shutdown	211	1,354
Technological Update (automation)	0	1,353
Consolidation	0	853
DOGE Downstream Impact	0	826
Relocation (International)	0	341
Tariffs	0	331
Government Regulations	0	148
Avian Flu	0	87
Legal Trouble	0	76
Natural Disaster	0	36
TOTAL	45,849	443,604

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Table 5: QUARTER BY QUARTER

Year	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	226,242			443,604

Source: Challenger, Gray & Christmas

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Table 6: ANNOUNCED HIRING PLANS — By Month

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	10,049	16,191	9,802	23,310	88,622	76,345	285,639	258,302	13,842	61,537
May	19,536	9,683	4,236	7,885	126,083	49,118	38,981	8,663	9,889	77,447
June	10,933	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	91,405	507,647	769,953	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654

2026 TOTAL reflects year-to-date hiring announcements through June.

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Table 7: ANNOUNCED HIRING PLANS — By Industry

INDUSTRY	26-Jun	YTD 2026	YTD 2025
Aerospace/Defense	215	7,891	3,036
Apparel	1,050	1,350	198
Automotive	378	12,636	5,786
Chemical		213	40
Construction		860	865
Consumer Products	214	5,958	2,515
Education		292	0
Electronics	875	4,413	610
Energy		2,200	1,070
Entertainment/Leisure	3,300	12,096	28,000
Financial		930	75
FinTech		0	2,130
Food	20	2,135	292
Government	2,000	9,368	7,056
Health Care/Products		871	4,197
Industrial Goods	1,300	6,176	4,266
Insurance		4,010	12,500
Legal		0	0
Media		0	0
Mining		0	900
Non-Profit		32	0
Pharmaceutical		75	400
Real Estate		0	0
Retail		1,257	0
Services		707	298
Technology	1,281	14,761	5,510
Telecommunications		0	1,100
Transportation		980	305
Utility	300	1,894	1,493
Warehousing		300	290
TOTAL	10,933	91,405	82,932

Source: Challenger, Gray & Christmas