

September 2026

CHALLENGER REPORT

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SEPTEMBER LAYOFF PLANS FALL TO 43,281; TYPICAL SURGE IN SEASONAL HIRING PLANS ABSENT, BUT HIRING REMAINS ABOVE 2025

CHICAGO, October 1, 2026 — U.S.-based employers announced 43,281 job cuts in September, down 18% from the 52,881 announced in August. It is down 20% from the 54,064 layoff plans announced in the same month last year and is the lowest total for the month since 2022, when 29,989 job cuts were recorded, according to a report released Thursday from global outplacement and executive coaching firm Challenger, Gray & Christmas.

Through September, employers have announced 573,195 job cuts, down 39% from the 946,426 cuts announced in the first nine months of 2025. Excluding the Government sector, job cut announcements are down 15% (550,185 versus 646,671 through September 2025). It is the seventh time this year cuts are lower than the corresponding month one year earlier, and the lowest January-to-September total since 2022, when 209,495 layoff plans were announced.

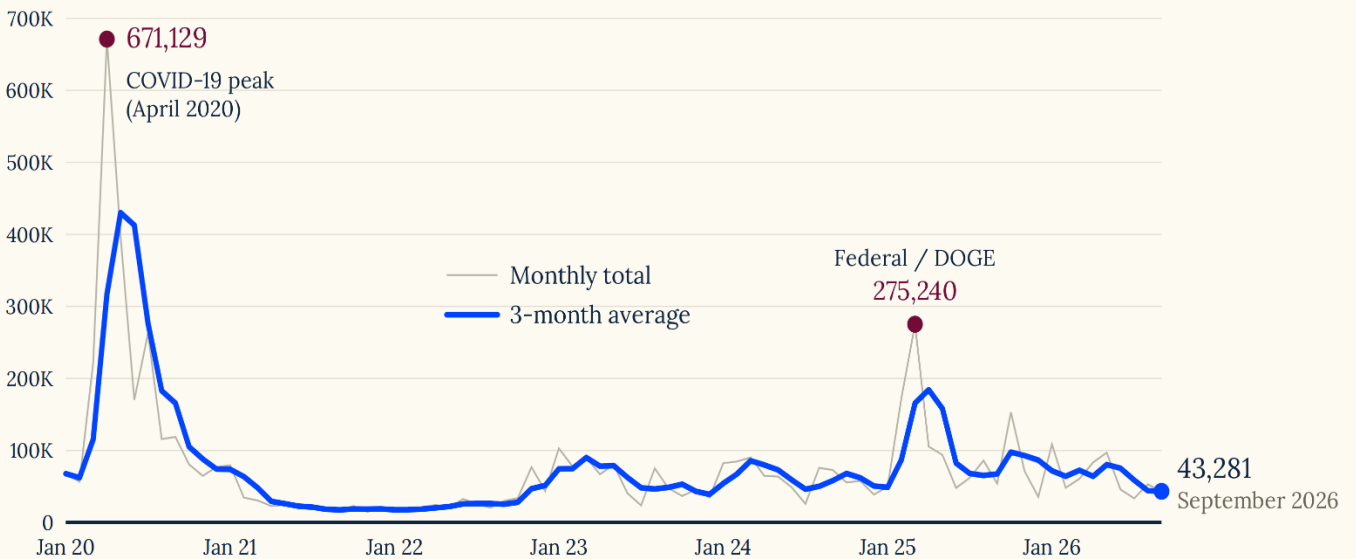
Third quarter layoff plans totaled 129,591, down 43% from the 226,242 layoff plans in Q2 2026, and down 36% from the 202,118 layoff plans announced in the same quarter of last year.

“Companies are in a wait-and-see period right now. Employers are facing high energy costs, an uncertain war in Iran, a rate hike that could make hiring more expensive, plus the likelihood of surging healthcare costs. We’ve seen layoff activity subside over this year, and September continues to illustrate this point,” said Andy Challenger, workplace expert and chief revenue officer for Challenger, Gray & Christmas.

“Hiring plans are up over the year, but we’re not seeing the surge of hiring plans that come with the holiday season, which suggests a very cautious approach,” he added.

U.S. JOB CUTS BY MONTH

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



Source: Challenger, Gray & Christmas, Inc.

CHALLENGER, GRAY & CHRISTMAS

WHICH INDUSTRIES CUT THE MOST IN SEPTEMBER?

Technology

Technology companies announced 10,799 cuts in September, up 77% from 6,103 in August. The sector has announced 165,925 cuts this year, up 54% from the 107,878 announced through September 2025. Technology accounts for 29% of all job cuts announced in 2026, more than any other industry.

Food

Food producers announced 7,326 cuts in September, the second straight month above 7,000, for a year-to-date total of 29,693. That is up 76% from the 16,835 cuts announced in this sector through September 2025. Washington orchards and agricultural employers accounted for 5,396 of the month's cuts, all filed through WARN notices citing a downturn in demand.

Non-Profit

Non-Profit organizations announced 4,742 cuts in September, the third-most of any industry and the sector's highest monthly total of 2026. That is up from 672 in September 2025. The sector has announced 16,531 cuts this year, down 28% from the 22,823 announced through September 2025.

Services

Services firms announced 3,306 cuts in September, the fourth-most of any industry, for a year-to-date total of 30,084. That is down 51% from the 61,590 cuts announced in this sector through September 2025. Contract losses accounted for 1,116 of the month's cuts.

Transportation

Transportation announced 2,151 cuts in September. The sector has announced 44,430 cuts this year, the second-most of any industry and up 190% from the 15,329 announced through September 2025.

Health Care/Products

Health Care/Products announced 1,780 cuts in September. The sector has announced 37,417 cuts this year, the third-most of any industry, down 6% from the 39,917 announced through September 2025.

Media & News Cuts

The Media industry announced 266 cuts in September and has announced 5,174 so far in 2026, down 63% from the 14,060 cuts announced during the same period last year.

News, which Challenger tracks as a subset of Media and includes broadcast, digital, and print, announced 174 cuts in September. It is down 9% from the 191 recorded in September 2025. Year-to-date News cuts total 1,901, up 9% from the 1,738 announced in the first nine months of 2025.

WHICH INDUSTRIES ARE CUTTING THE MOST IN 2026?

Technology leads all industries with 165,925 cuts announced through September, followed by Transportation with 44,430, Health Care/Products with 37,417, Consumer Products with 30,652, and Services with 30,084.

Twenty-one of the 30 industries Challenger tracks have announced fewer cuts than they did at this point last year. The decline is steepest in Government, down 92%. Retail has announced 14,434 cuts, down 83% from 86,233. Warehousing is down 53% to 19,881, and Telecommunications is down 64% to 7,446.

The increases are concentrated in Technology, up 54%, Transportation, up 190%, FinTech, up 331% to 7,806, and Food, up 76%.

WHY ARE COMPANIES CUTTING?

Market and Economic Conditions led all reasons for job cuts in September with 8,789 announced during the month, or 20% of all announced layoff plans. So far this year, Market and Economic Conditions has been cited in 114,124 job cut announcements, the second-most of any reason.

Closings followed for the month with 7,719 cuts for a total of 99,092. Demand Downturn accounted for 6,515 cuts in September, the highest monthly total since February 2023, when 7,770 layoff plans were cited for this reason. Restructuring was cited for 6,243 cuts in September and 79,892 for the year.

Artificial Intelligence was the fifth-most cited reason with 3,961 cuts in September, about 9% of the month's total. So far this year, AI has been cited in 120,136 job cut announcements, approximately 21% of all cuts, and it remains the leading reason year-to-date.

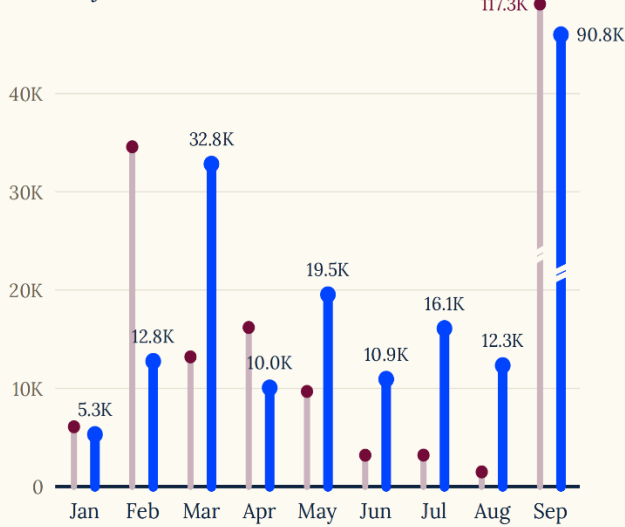
HIRING PLANS IN 2026

ANNOUNCED HIRING PLANS

U.S.-based employers, January–September 2026

September hiring plans totaled 90,787, down 23% from last September. Seasonal hires: 62,000, vs. 100,800 last September.

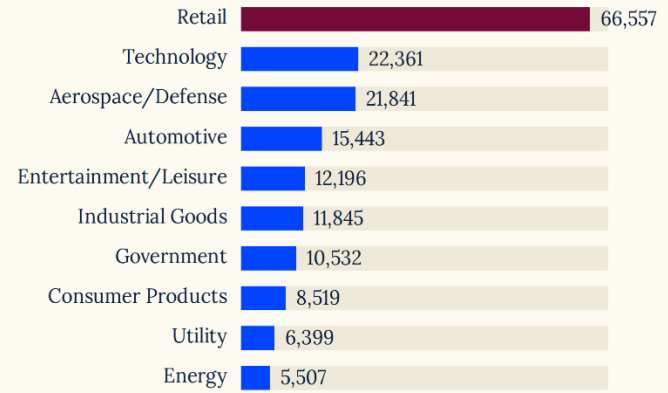
Monthly announcements ● 2025 ● 2026



September stems are compressed above 40K to fit the scale; values are labeled.

Source: Challenger, Gray & Christmas, Inc.

Top 10 industries hiring, year to date



These 10 industries account for 86% of the 210,612 hiring plans announced this year.

Manufacturing and industrial sectors: 32% of hiring plans, 14% of cuts.

Aerospace/defense, industrial goods, automotive, consumer products, energy, construction, apparel and mining.

CHALLENGER, GRAY & CHRISTMAS

Employers announced plans to hire 90,787 workers in September, up from the 12,325 plans announced in August, as seasonal hiring announcements have begun. However, it is down 23% from the 117,313 announced in September 2025, and the lowest September total since 2011, when 76,551 hiring plans were recorded.

Announced seasonal hiring is muted so far this year. Spirit Halloween and Michaels are the only Retailers who have announced hiring plans this year, a combined 62,000 seasonal hires. This is compared with seasonal employers' announcing a combined 100,800 last September.

So far this year, companies have announced plans to hire 210,612 workers, up 3% from the 204,939 plans announced through September 2025. Hiring had been running well ahead of last year's pace through August, but the gap narrowed considerably with a lighter seasonal hiring season.

Retail led all industries in September with 65,150 announced hires, followed by Aerospace/Defense with 5,300 and Utility with 4,200. For the year, Retail leads with 66,557, followed by Technology with 22,361 and Aerospace/Defense with 21,841.

Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES — YEAR TO DATE		
	YTD 2026	YTD 2025
Technology	165,925	107,878
Transportation	44,430	15,329
Health Care/Products	37,417	39,917
Consumer Products	30,652	37,624
Services	30,084	61,590
MONTH BY MONTH TOTALS		
	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	33,429	62,075
August	52,881	85,979
September	43,281	54,064
October		153,074
November		71,321
December		35,553
TOTAL	573,195	1,206,374
<i>Some reductions are announced as a range or over multiple years; Challenger records the announced figure.</i>		
LAYOFF LOCATION		
	YTD 2026	YTD 2025
California	114,818	144,528
Washington	52,313	37,550
Texas	46,098	43,599
Georgia	41,952	31,339
Michigan	33,627	14,129
<i>Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.</i>		

Source: Challenger, Gray & Christmas, Inc.

Table 2: JOB CUTS BY INDUSTRY

Industry	Sep-25	Aug-26	Sep-26	YTD 2025	YTD 2026
Aerospace/Defense	25	149	501	2,786	6,467
Apparel	100			1,945	5,257
Automotive	2,750	2,297	245	20,784	19,423
Chemical	320	94	80	2,544	5,292
Construction	1,273	315	1,038	5,398	3,906
Consumer Products	1,983	10,057	2,078	37,624	30,652
Education	1,252		180	17,518	15,679
Electronics	140	414	63	6,591	5,604
Energy	5,807	93	309	14,811	2,659
Entertainment/Leisure	2,985	865	1,572	17,751	12,719
Financial	1,400	4,286	850	46,386	23,762
FinTech		225	459	1,813	7,806
Food	4,074	7,982	7,326	16,835	29,693
Government	4,482	1,477	781	299,755	23,010
Health Care/Products	3,480	1,211	1,780	39,917	37,417
Industrial Goods	806	808	534	8,499	12,957
Insurance	245	77	792	3,868	7,777
Legal				403	
Media	331	480	266	14,060	5,174
Mining		300		2,320	1,790
Non-Profit	672	3,844	4,742	22,823	16,531
Pharmaceutical	1,077	1,029	777	23,510	15,472
Real Estate		611		1,533	932
Retail	2,577	423	1,065	86,233	14,434
Services	6,290	2,836	3,306	61,590	30,084
Technology	5,639	6,103	10,799	107,878	165,925
Telecommunications	1,233	4,113		20,862	7,446
Transportation	3,948	531	2,151	15,329	44,430
Utility	191		295	2,520	1,016
Warehousing	984	2,261	1,292	42,540	19,881
TOTAL	54,064	52,881	43,281	946,426	573,195

Source: Challenger, Gray & Christmas, Inc.

Table 3: JOB CUTS BY REGION, STATE

EAST	Sep-26	YTD 2026	YTD 2025
Connecticut		4,260	1,642
Delaware		117	209
Dist. of Columbia		11,873	298,901
Maine	54	645	4,811
Maryland	535	4,507	8,874
Massachusetts	449	15,912	11,427
New Hampshire	427	607	154
New Jersey	2,078	29,831	63,217
New York	772	32,707	80,428
Pennsylvania	772	13,803	15,898
Rhode Island		162	1,149
Vermont	199	938	339
TOTAL	5,286	115,362	487,049

MIDWEST	Sep-26	YTD 2026	YTD 2025
Illinois	1,104	21,695	17,801
Indiana	222	4,130	1,852
Iowa	100	3,433	6,835
Kansas		418	2,772
Michigan	1,667	33,627	14,129
Minnesota	55	2,509	6,557
Missouri	125	3,214	4,702
Nebraska		1,435	5,032
Ohio	650	17,940	39,847
Wisconsin	196	4,637	3,311
TOTAL	4,119	93,038	102,838

WEST	Sep-26	YTD 2026	YTD 2025
Alaska		779	1,712
Arizona	405	4,071	15,452
California	9,920	114,818	144,528
Colorado	544	8,218	6,335
Hawaii		1,283	1,063
Idaho		1,002	330
Montana		132	349
Nevada	153	3,807	2,485
New Mexico	242	538	288
North Dakota		180	96
Oklahoma		276	1,561
Oregon	272	9,168	3,969
South Dakota		55	388
Texas	2,742	46,098	43,599
Utah	863	2,366	1,364
Washington	10,680	52,313	37,550
Wyoming		9	28
TOTAL	25,821	245,113	261,097

SOUTH	Sep-26	YTD 2026	YTD 2025
Alabama	107	3,774	7,089
Arkansas	71	1,613	620
Florida	984	21,857	20,550
Georgia	2,504	41,952	31,339
Kentucky	17	3,002	3,573
Louisiana		599	1,239
Mississippi		1,337	1,056
North Carolina	775	9,116	7,471
South Carolina	616	6,795	2,966
Tennessee	190	19,096	9,950
Virginia	1,691	8,407	8,600
West Virginia	1,100	2,134	989
TOTAL	8,055	119,682	95,442

Source: Challenger, Gray & Christmas, Inc.

Table 4: JOB CUTS BY REASON

Reason	Sep-26	YTD 2026
Artificial Intelligence	3,961	120,136
Market/Economic Conditions	8,789	114,124
Closing	7,719	99,092
Restructuring	6,243	79,892
Contract Loss	3,387	45,429
Cost-Cutting	2,173	38,046
Acquisition/Merger	213	16,467
Demand Downturn	6,515	15,229
Voluntary Severance/Buyouts	1,500	11,919
Bankruptcy	395	10,062
Financial Loss	869	4,251
Relocation (Domestic)	20	2,969
Cattle Shortage		2,500
EV Tax Credit Expiration		2,058
No Reason Provided		1,912
DOGE Downstream Impact		1,771
Federal Cuts/Shutdown		1,456
Technological Update (automation)		1,353
Consolidation	116	1,318
Natural Disaster	261	751
Relocation (International)		686
Loss of Federal Contract	563	563
Outsourcing	557	557
Tariffs		331
Government Regulations		148
Avian Flu		87
Legal Trouble		76
Technological Update (possibly AI)		12
TOTAL	43,281	573,195

Source: Challenger, Gray & Christmas, Inc.

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	129,591		573,195
AVG (1989–2025)	207,756	181,307	176,025	187,106	752,194

*1992 figures are estimated. 2026 reflects Q1–Q3.

Source: Challenger, Gray & Christmas, Inc.

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	16,095	3,200	3,676	12,774	25,506	18,281	246,507	22,316	9,823	88,142
August	12,325	1,494	6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530
September	90,787	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	210,612	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 (Jan–Sept)	210,612	204,939	483,590	726,333	1,163,088	1,603,864	2,672,893	971,540	856,669	993,749
Monthly Average	23,401	42,304	64,163	65,010	123,530	146,035	265,905	100,646	84,869	91,721

Source: Challenger, Gray & Christmas, Inc.

Table 7: ANNOUNCED HIRING PLANS BY INDUSTRY

Industry	Sep-26	YTD 2026	YTD 2025
Aerospace/Defense	5,300	21,841	5,186
Apparel		1,550	218
Automotive	506	15,443	10,256
Chemical	40	295	70
Construction	1,256	2,533	1,344
Consumer Products	1,651	8,519	3,365
Education		292	40
Electronics	448	5,398	610
Energy	847	5,507	2,095
Entertainment/Leisure		12,196	28,234
Financial	1,000	1,930	75
FinTech			2,382
Food	1,705	4,804	427
Government	1,164	10,532	12,712
Health Care/Products		1,506	4,197
Industrial Goods	3,108	11,845	7,672
Insurance		4,010	12,800
Legal			
Media			
Mining	300	300	900
Non-Profit	957	1,089	
Pharmaceutical		530	400
Real Estate	40	55	
Retail	65,150	66,557	96,700
Services	355	2,855	398
Technology	2,610	22,361	7,070
Telecommunications		300	1,100
Transportation	150	1,505	305
Utility	4,200	6,399	1,493
Warehousing		460	4,890
TOTAL	90,787	210,612	204,939

Source: Challenger, Gray & Christmas, Inc.