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MASS LAYOFFS IN NOVEMBER 2004

In November 2004, employers took 1,399 mass layoff actions, as measured by new filings for unemployment insurance benefits during the month, according to data from the U.S. Department of Labor's Bureau of Labor Statistics. Each action involved at least 50 persons from a single establishment, and the number of workers involved totaled 130,423. (See table 1.) The number of events was the lowest for any November since 1999 and the number of initial claims was the lowest for any November since 1997. From January through November 2004, the total numbers of events, 14,366, and initial claims, 1,445,887, were lower than in January-November 2003 (17,034 and 1,696,293, respectively).

Industry Distribution

The 10 industries reporting the highest number of mass-layoff initial claims accounted for 39,291 initial claims in November, 30 percent of the total. (See table A.) Temporary help services, with 8,873 initial claims, and highway, street, and bridge construction, with 8,566 initial claims, together accounted for 13 percent of all initial claims in November.

The manufacturing sector had 29 percent of all mass layoff events and 34 percent of all initial claims filed in November. These were about the same proportions as a year earlier. Within manufacturing, the number of claimants was highest in food processing (7,717, mainly in fruits and vegetables), followed by transportation equipment (6,961) and machinery (4,583). (See table 2.)

Construction accounted for 17 percent of events and 14 percent of initial claims filed in November, with layoffs mainly in highway, street, and bridge construction. Thirteen percent of all layoff events and initial claims filed during the month were in the administrative and waste services sector, primarily in temporary help services. Agriculture, forestry, fishing and hunting accounted for 10 percent of events and 7 percent of initial claims, largely among farm labor contractors. Accommodation and food services accounted for 6 percent of events and 7 percent of initial claims, mostly among food service contractors. An additional 5 percent of events and initial claims were from retail trade, mostly from general merchandise stores.

Government establishments accounted for 5 percent of events and 4 percent of initial claims filed in November, mostly in the administration of economic programs.

Compared with November 2003, the largest decreases in initial claims were reported in transportation equipment manufacturing (-2,735), heavy and civil engineering construction (-2,433), and telecommunications

Table A. Industries with the largest mass-layoff initial claims in November 2004^p

Industry	Initial claims	November peak	
		Year	Initial claims
Temporary help services	8,873	2000	19,023
Highway, street, and bridge construction	8,566	2001	14,805
Food service contractors	4,356	2004	4,356
Motion picture and video production	3,453	2000	8,664
Farm labor contractors and crew leaders	3,277	1999	11,613
AC, refrigeration, and forced air heating	3,019	2001	3,028
Professional employer organizations	2,447	2002	4,088
Discount department stores	2,050	2004	2,050
Fruit and vegetable canning	1,675	2000	2,208
Light truck and utility vehicle mfg.	1,575	1998	3,813

p=preliminary.

(-1,979). The largest over-the-year increase in initial claims was reported in administrative and support services (+3,579).

Geographic Distribution

Among the four Census regions, the highest number of initial claims in November due to mass layoffs was reported in the West, 46,854. (See table 3.) Administrative and support services and agriculture and forestry support activities accounted for 27 percent of all mass-layoff initial claims in that region during the month. The Midwest region was the next largest, with 39,650 initial claims, followed by the South, with 24,573, and the Northeast, with 19,346.

The number of initial claimants in mass layoffs fell over the year in three of the four regions. The largest decrease was in the Midwest (-6,648), followed by the South (-2,865) and the Northeast (-2,132). The West reported an over-the-year increase in initial claims (+3,525). Five of the nine geographic divisions had over-the-year decreases in the number of initial claims associated with mass layoffs, with the largest decreases in the West North Central (-4,947) and South Atlantic (-3,489) divisions. The largest over-the-year increases were in the Mountain (+1,864) and Pacific (+1,661) divisions.

Among the states, California recorded the highest number of initial claims filed in mass layoff events in November (34,089), mostly in administrative and support services and agriculture and forestry support activities. Wisconsin was next highest with 9,144 initial claims reported, followed by Pennsylvania (7,600) and Illinois (6,462). These four states accounted for 47 percent of all layoff events and 44 percent of all initial claims for unemployment insurance. (See table 4.)

Missouri reported the largest over-the-year decrease in the number of initial claims (-2,878), followed by Iowa (-2,305) and Ohio (-2,245). The largest over-the-year increase occurred in California (+1,889).

From January to November 2004, California reported 361,835 mass layoff initial claims, 25 percent of the national total. The states with the next largest number of claims over this period were Michigan (88,283), New York (87,127), Ohio (81,540), and Pennsylvania (79,875).

Note

The monthly data series in this release cover mass layoffs of 50 or more workers beginning in a given month, regardless of the duration of the layoffs. For private nonfarm establishments, information on the length of the layoff is obtained later and issued in a quarterly release that reports on mass layoffs lasting more than 30 days (referred to as “extended mass layoffs”). The quarterly release provides more information on the industry classification and location of the establishment and on the demographics of the laid-off workers. Because monthly figures include short-term layoffs of 30 days or less, the sum of the figures for the 3 months in a quarter will be higher than the quarterly figure for mass layoffs of more than 30 days. (See table 1.) See the Technical Note for more detailed definitions.

The report on Mass Layoffs in December 2004 is scheduled to be released on Wednesday, January 26, 2005.

Addition of Seasonally Adjusted Data

Beginning with the release of data for January 2005 in February 2005, the Bureau of Labor Statistics will publish seasonally adjusted mass layoff data series as well as an analysis of significant over-the-month changes in those series. Seasonal adjustment accounts for the effects of events that follow a more or less regular pattern each year, making it easier to observe the cyclical and other nonseasonal movements. Initially, six mass layoff series will be seasonally adjusted—the number of layoff events and the number of associated initial claims for unemployment insurance for the U.S. total, the private nonfarm sector, and the manufacturing sector. Historical data for each of these series will be available from April 1995 forward.

Technical Note

The Mass Layoff Statistics (MLS) program is a federal-state program that uses a standardized, automated approach to identifying, describing, and tracking the effects of major job cutbacks, using data from each state's unemployment insurance database. Each month, states report on establishments which have at least 50 initial claims filed against them during a consecutive 5-week period. These establishments then are contacted by the state agency to determine whether these separations lasted 31 days or longer, and, if so, other information concerning the layoff is collected. States report on layoffs lasting more than 1 month on a quarterly basis.

A given month contains an aggregation of the weekly unemployment insurance claims filings for the Sunday through Saturday weeks in that month. All weeks are included for the particular month, except if the first day of the month falls on Saturday. In this case, the week is included in the prior month's tabulations. This means that some months will contain 4 weeks and others 5 weeks, and the number of weeks in a given month may be different from year to year. Therefore,

analysis of over-the-month and over-the-year change should take this calendar effect into consideration.

The MLS program resumed operations in April 1995 after it had been terminated in November 1992 due to lack of funding. Prior to April 1995, monthly layoff statistics were not available.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

Definitions

Initial claimant. A person who files any notice of unemployment to initiate a request either for a determination of entitlement to and eligibility for compensation, or for a subsequent period of unemployment within a benefit year or period of eligibility.

Mass layoff event. Fifty or more initial claims for unemployment insurance benefits filed against an establishment during a 5-week period, regardless of duration.

Table 1. Mass layoff events and initial claimants for unemployment insurance, October 2002 to November 2004

Date	Total mass layoffs		Private nonfarm					
			Mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates ¹	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
2002								
October	1,497	171,100	1,270	149,327				
November	2,153	240,171	1,860	216,237				
December	2,474	264,158	2,324	252,807				
Fourth Quarter	6,124	675,429	5,454	618,371	1,916	370,592	35.1	59.9
2003								
January	2,315	225,430	2,130	210,918				
February	1,363	124,965	1,222	116,264				
March	1,207	113,026	1,099	104,468				
First Quarter	4,885	463,421	4,451	431,650	1,502	297,608	33.7	68.9
April	1,581	161,412	1,470	152,937				
May	1,703	174,204	1,538	160,729				
June	1,691	157,552	1,336	127,743				
Second Quarter	4,975	493,168	4,344	441,409	1,799	348,966	41.4	79.1
July	2,087	226,435	1,815	206,901				
August	1,258	133,839	1,163	124,131				
September	868	82,647	756	73,914				
Third Quarter	4,213	442,921	3,734	404,946	1,190	227,909	31.9	56.3
October	1,523	158,240	1,265	137,706				
November	1,438	138,543	1,234	123,524				
December	1,929	192,633	1,793	182,750				
Fourth Quarter	4,890	489,416	4,292	443,980	1,690	326,328	39.4	73.5
2004								
January	2,428	239,454	2,226	220,687				
February	941	84,201	832	76,577				
March	920	92,554	847	87,782				
First Quarter	4,289	416,209	3,905	385,046	1,339	238,056	34.3	61.8
April	1,458	157,314	1,316	142,657				
May	988	87,501	878	78,786				
June	1,379	134,588	1,077	110,804				
Second Quarter	3,825	379,403	3,271	332,247	1,359	251,970	41.5	75.8
July	2,094	253,929	1,860	234,877				
August	809	69,033	745	63,876				
September	708	68,972	637	63,102				
Third Quarter	3,611	391,934	3,242	361,855	^{2p} 780	^{2p} 101,456	^p 24.1	^p 28.0
October ^p	1,242	127,918	1,101	117,375				
November ^p	1,399	130,423	1,201	115,549				

¹ The event realization rate is the percentage of all private nonfarm mass layoff events lasting more than 30 days. The initial claimant realization rate is the percentage of all private nonfarm mass layoff initial claimants associated with layoffs lasting more than 30 days.

² These quarterly numbers are provisional and will be revised as more

data on these layoffs become available. Experience suggests that the number of extended mass layoff events is generally revised upwards by less than 10 percent and the number of initial claimants associated with such events increases by 25-40 percent.

^p = preliminary.

Table 2. Industry distribution: Mass layoff events and initial claimants for unemployment insurance

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	November 2003	September 2004	October 2004 ^P	November 2004 ^P	November 2003	September 2004	October 2004 ^P	November 2004 ^P
Total ¹	1,438	708	1,242	1,399	138,543	68,972	127,918	130,423
Total, private	1,380	669	1,177	1,336	133,818	64,917	122,402	125,008
Agriculture, forestry, fishing and hunting	146	32	76	135	10,294	1,815	5,027	9,459
Total, private nonfarm	1,234	637	1,101	1,201	123,524	63,102	117,375	115,549
Mining	8	(²)	8	7	568	(²)	946	701
Utilities	4	(²)	(²)	(²)	308	(²)	(²)	(²)
Construction	263	65	126	231	20,999	4,160	9,512	17,884
Manufacturing.....	408	189	372	412	48,419	25,808	48,265	44,243
Food	70	56	78	77	8,410	4,848	9,049	7,717
Beverage and tobacco products	9	3	16	6	938	271	1,316	387
Textile mills	13	6	10	15	1,178	701	1,041	1,767
Textile product mills	8	4	8	7	483	438	732	638
Apparel	14	9	18	20	1,269	1,878	1,338	2,154
Leather and allied products	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Wood products	29	4	16	32	3,852	268	2,744	3,437
Paper	12	4	9	7	856	369	580	530
Printing and related support activities	8	-	8	9	570	-	548	610
Petroleum and coal products	(²)	-	(²)	(²)	(²)	-	(²)	(²)
Chemicals	10	(²)	6	7	908	(²)	380	525
Plastics and rubber products	27	12	18	17	2,085	976	1,451	1,385
Nonmetallic mineral products	21	8	10	24	2,089	759	779	2,126
Primary metals	22	(²)	15	18	2,470	(²)	2,312	1,616
Fabricated metal products	31	11	18	28	2,696	794	1,855	2,548
Machinery	28	11	19	25	4,642	1,118	4,224	4,583
Computer and electronic products	19	11	18	27	1,468	742	1,416	2,534
Electrical equipment and appliances	12	5	17	13	2,671	3,211	2,573	1,757
Transportation equipment	51	21	58	53	9,696	7,400	12,733	6,961
Furniture and related products	10	10	13	16	856	912	1,637	1,548
Miscellaneous manufacturing	8	10	11	5	891	842	1,027	975
Wholesale trade	23	14	11	24	2,421	1,028	1,412	2,196
Retail trade	76	68	98	65	6,877	5,974	8,550	6,498
Transportation and warehousing	42	21	34	32	4,127	1,692	2,608	2,900
Information	37	26	36	45	5,918	3,455	7,597	5,492
Finance and insurance	19	16	33	22	1,485	1,211	2,914	1,442
Real estate and rental and leasing	8	(²)	10	(²)	432	(²)	697	(²)
Professional and technical services	33	19	24	22	3,175	1,709	3,994	2,303
Management of companies and enterprises	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Administrative and waste services	163	106	188	187	13,925	10,255	15,202	17,370
Educational services.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Health care and social assistance	28	15	34	27	2,243	975	2,793	2,012
Arts, entertainment, and recreation	26	21	30	25	1,920	1,366	2,424	2,126
Accommodation and food services	75	61	82	81	7,348	4,173	9,152	8,995
Other services, except public administration.....	15	8	6	10	1,081	525	482	647
Unclassified	2	1	3	1	1,646	71	309	40
Government	58	39	65	63	4,725	4,055	5,516	5,415
Federal	9	5	22	12	820	364	2,185	1,290
State	22	3	19	25	1,917	233	1,648	2,342
Local	27	31	24	26	1,988	3,458	1,683	1,783

¹ Data were reported by all states and the District of Columbia.

^P = preliminary.

² Data do not meet BLS or state agency disclosure standards.

NOTE: Dash represents zero.

Table 3. Mass layoff events and initial claimants for unemployment insurance by census region and division

Census region and division	Mass layoff events				Initial claimants for unemployment insurance			
	November 2003	September 2004	October 2004 ^P	November 2004 ^P	November 2003	September 2004	October 2004 ^P	November 2004 ^P
United States ¹	1,438	708	1,242	1,399	138,543	68,972	127,918	130,423
Northeast	210	101	189	198	21,478	8,801	17,563	19,346
New England	29	9	17	26	2,282	637	1,345	1,998
Middle Atlantic	181	92	172	172	19,196	8,164	16,218	17,348
South	265	204	323	255	27,438	19,467	30,246	24,573
South Atlantic	135	123	190	116	13,822	10,152	15,237	10,333
East South Central	35	41	58	42	4,212	5,643	5,750	4,651
West South Central	95	40	75	97	9,404	3,672	9,259	9,589
Midwest	426	125	280	389	46,298	16,380	35,859	39,650
East North Central	313	99	219	306	31,687	13,827	26,965	29,986
West North Central	113	26	61	83	14,611	2,553	8,894	9,664
West	537	278	450	557	43,329	24,324	44,250	46,854
Mountain	51	15	43	59	4,606	1,163	3,610	6,470
Pacific	486	263	407	498	38,723	23,161	40,640	40,384

¹ See footnote 1, table 2.

^P = preliminary.

NOTE: The States (including the District of Columbia) that comprise the census divisions are: New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; Middle Atlantic: New Jersey, New York, and Pennsylvania; South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North

Carolina, South Carolina, Virginia, and West Virginia; East South Central: Alabama, Kentucky, Mississippi, and Tennessee; West South Central: Arkansas, Louisiana, Oklahoma, and Texas; East North Central: Illinois, Indiana, Michigan, Ohio, and Wisconsin; West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota; Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and Pacific: Alaska, California, Hawaii, Oregon, and Washington.

Table 4. State distribution: Mass layoff events and initial claimants for unemployment insurance

State	Mass layoff events				Initial claimants for unemployment insurance			
	November 2003	September 2004	October 2004 ^P	November 2004 ^P	November 2003	September 2004	October 2004 ^P	November 2004 ^P
Total ¹	1,438	708	1,242	1,399	138,543	68,972	127,918	130,423
Alabama	10	18	12	9	1,384	1,793	1,477	915
Alaska	6	(²)	5	7	561	(²)	423	686
Arizona	4	–	11	3	257	–	868	255
Arkansas	3	(²)	3	11	777	(²)	642	1,477
California	420	246	346	429	32,200	21,752	34,896	34,089
Colorado	7	3	10	7	549	199	829	533
Connecticut	4	(²)	(²)	(²)	312	(²)	(²)	(²)
Delaware	(²)	–	–	–	(²)	–	–	–
District of Columbia	(²)	–	–	–	(²)	–	–	–
Florida	55	86	143	43	3,533	6,349	9,737	3,107
Georgia	18	11	16	19	1,771	815	1,977	1,809
Hawaii	(²)	(²)	4	(²)	(²)	(²)	260	(²)
Idaho	11	3	3	16	1,408	331	281	1,888
Illinois	57	26	56	63	5,785	2,567	8,019	6,462
Indiana	42	19	24	40	4,269	2,767	2,235	5,129
Iowa	29	6	12	14	3,464	764	1,645	1,159
Kansas	6	4	5	6	696	380	398	1,090
Kentucky	14	11	27	19	1,649	2,892	2,792	2,160
Louisiana	23	5	11	19	1,773	402	714	1,789
Maine	4	–	3	4	306	–	207	328
Maryland	9	5	5	4	843	529	544	347
Massachusetts	17	6	6	15	1,373	439	437	1,108
Michigan	48	23	40	63	5,058	5,997	3,768	5,032
Minnesota	44	6	15	35	3,849	441	1,390	4,260
Mississippi	3	3	10	–	165	314	615	–
Missouri	22	3	21	23	5,651	195	4,723	2,773
Montana	5	–	5	7	428	–	545	1,023
Nebraska	7	6	7	(²)	412	646	666	(²)
Nevada	14	7	10	19	1,156	471	755	2,219
New Hampshire	(²)	–	4	–	(²)	–	292	–
New Jersey	43	11	35	42	5,985	1,630	3,294	5,386
New Mexico	4	(²)	(²)	4	212	(²)	(²)	384
New York	59	31	52	55	5,648	2,950	5,263	4,362
North Carolina	23	10	5	24	3,635	712	417	2,294
North Dakota	4	(²)	(²)	3	474	(²)	(²)	238
Ohio	75	16	54	49	6,464	1,352	8,193	4,219
Oklahoma	3	(²)	6	9	406	(²)	1,382	845
Oregon	26	6	29	31	3,058	370	2,536	2,886
Pennsylvania	79	50	85	75	7,563	3,584	7,661	7,600
Rhode Island	(²)	(²)	(²)	4	(²)	(²)	(²)	372
South Carolina	7	6	10	13	547	921	688	1,619
South Dakota	(²)	–	–	(²)	(²)	–	–	(²)
Tennessee	8	9	9	14	1,014	644	866	1,576
Texas	66	32	55	58	6,448	2,965	6,521	5,478
Utah	6	(²)	–	(²)	596	(²)	–	(²)
Vermont	(²)	–	(²)	(²)	(²)	–	(²)	(²)
Virginia	16	5	9	10	2,644	826	1,555	976
Washington	32	7	23	29	2,751	819	2,525	2,536
West Virginia	5	–	(²)	3	556	–	(²)	181
Wisconsin	91	15	45	91	10,111	1,144	4,750	9,144
Wyoming	–	–	3	(²)	–	–	268	(²)
Puerto Rico	–	30	8	6	–	4,059	693	562

¹ See footnote 1, table 2.

^P = preliminary.

² Data do not meet BLS or state agency disclosure standards.

NOTE: Dash represents zero.