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**JOB CUTS FALL 15% IN MAY, BUT EXPLODE IN TECH, FINTECH,
CONSTRUCTION**

CHICAGO, June 2, 2022 – U.S.-based employers announced 20,712 cuts in May, a 14.7% decrease from the 24,286 announced in April. It is 15.8% lower than the 24,586 cuts announced in May of 2021, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

So far this year, employers announced plans to cut 100,694 job cuts, down 48% from the 192,185 cuts announced through the same period in 2021. It is the lowest recorded January-May total since Challenger began tracking monthly job cut announcements in 1993*.

INDUSTRIES THAT ANNOUNCED MORE JOB CUTS IN MAY THAN PREVIOUS 4 MONTHS

Industry	Jan-Apr	May	Percent Change Jan-Apr over May	2022 YTD	2021 YTD
Technology	459	4,044	781.05%	4,503	4,854
Fintech	440	1,619	267.95%	2,059	556
Construction	333	817	145.35%	1,150	741
Automotive	2,462	2,918	18.52%	5,380	5,049

Source: Challenger, Gray & Christmas, Inc.

Despite the drop in job cuts, of the 30 industries Challenger tracks, four saw more job cuts announced in May than in the previous four months of the year combined. Companies in the Technology sector announced 4,044 cuts in May, up 781% from the 459 cuts the industry announced in January through April. It is the highest monthly total since December 2020 when companies in this industry announced 5,253 job cuts. So far this year, this industry has announced 4,503 job cuts, down 7% from the 4,854 cuts announced in the same period last year.

Meanwhile, Fintech companies announced 268% more cuts in May than in the first four months of 2022. In 2022, Fintech firms announced 2,059 cuts, a 270% increase from the 556 announced in the first five months of 2021.

“Many technology startups that saw tremendous growth in 2020, particularly in the real estate, financial, and delivery sectors, are beginning to see a slowdown in users, and coupled with inflation and interest rate concerns, are restructuring their workforces to cut costs and shore up capital,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

At the same time, inflation and the increase in interest rates is beginning to impact the housing market. Construction firms announced 817 job cuts in May for a total of 1,150, a 55% increase from the 741 cuts announced through May of 2021. It is the highest monthly total for the sector since October 2020 when Construction firms announced 967 cuts.

This follows a slight slowdown in housing starts and permits in April, according to the Census Bureau. Housing permits fell 3% from March, but remains 14% higher than a year ago, while starts fell 0.2% from March.

“After the housing frenzy over the last 18 months, demand has cooled somewhat, which will lead to job cuts in related sectors,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

While Technology announced the most job cuts in May, Automotive announced the second-highest number of cuts last month with 2,918 for a total of 5,380. This is up 6.6% from the 5,049 cuts announced through May 2021.

“Auto makers and suppliers are still dealing with supply chain woes, a semiconductor shortage, and now record-high gas prices that are driving consumers toward electric vehicles. Almost all major automotive companies have started to pivot to these vehicles, causing workforce restructurings as well,” said Challenger.

Health Care/Products companies announced the third-most job cuts in May with 2,373 and lead all sectors in cuts with 18,301, a 57% increase from the 11,656 cuts announced in the same period last year.

Employers in the United States announced 126,083 hiring plans in May, primarily on plans from Ace Hardware to hire 40,000 associates and 7-Eleven, which plans to hire 60,000. So far this year, Challenger has tracked 612,686 hiring announcements, up 39% from the 441,696 hiring plans announced through May of last year. It is the second-highest January-May hiring total since the firm began tracking hiring plans in 2006. The record occurred in 2020, when 1,260,661 hiring plans were announced in the first five months of the year.

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**From 1989-1992, an outside newsletter tracked job cut announcements.*

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JOB CUT ANNOUNCEMENT REPORT**

Table 1: EXECUTIVE SUMMARY

TOP FIVE INDUSTRIES

Year To Date

	2022	2021
Health Care/Products	18,301	11,656
Services	9,297	16,608
Financial	8,788	15,193
Entertainment/Leisure	7,253	11,848
Warehousing	5,424	9,397

MONTH BY MONTH TOTALS

	2022	2021
January	19,064	79,552
February	15,245	34,531
March	21,387	30,603
April	24,286	22,913
May	20,712	24,586
June		20,476
July		18,942
August		15,723
September		17,895
October		22,822
November		14,875
December		19,052
TOTAL	100,694	321,970

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

LAYOFF LOCATION

Year To Date

	YTD 2022	YTD 2021
California	15,179	25,237
New York	9,822	7,439
Pennsylvania	9,207	5,072
Florida	5,493	7,155
Wisconsin	4,960	1,169

Listings are identified by the location of the layoff or corporate headquarters as stated in announcement.

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT**

Table 2: JOB CUTS BY INDUSTRY

	21-May	22-Apr	22-May	YTD 2021	YTD 2022
Aerospace/Defense	773	200	10	32,779	924
Apparel				555	461
Automotive	2,109	1,773	2,918	5,049	5,380
Chemical				113	0
Construction	580	29	817	741	1,150
Consumer Products	106	1,031	290	2,068	4,183
Education	2,617	1,237	1,812	7,687	4,667
Electronics	556	61		1,954	355
Energy	922	263	229	8,883	730
Entertainment/Leisure	699	3,675	586	11,848	7,253
Financial	602	2,772	113	4,959	8,788
FinTech	128	340	1,619	556	2,059
Food	203	578	1,337	6,721	5,101
Government	574	1,116	124	4,272	4,933
Health Care/Products	2,775	2,005	2,373	11,656	18,301
Industrial Goods	1,974	937	636	4,057	2,766
Insurance	201			5,232	870
Legal				0	0
Media	447	224	363	3,271	1,278
Mining		106		175	161
Non-Profit	252	422	55	611	1,293
Pharmaceutical	2,134	99	335	2,322	1,132
Real Estate	9	245	1,000	634	2,475
Retail	1,053	2,213	505	13,594	4,335
Services	1,415	3,453	879	16,608	9,297
Technology	1,809	192	4,044	4,854	4,503
Telecommunications	185		50	24,824	240
Transportation	2,285	300	545	6,411	1,777
Utility	53	193	1	354	858
Warehousing	125	822	71	9,397	5,424
TOTAL	24,586	24,286	20,712	192,185	100,694

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT**

Table 3: JOB CUTS BY REGION, STATE

EAST	May-22	YTD 2022	YTD 2021
Connecticut	223	1,753	929
Delaware		0	100
Dist. of Columbia		60	264
Maine	9	1,217	177
Maryland		3,898	1,913
Massachusetts	626	2,608	5,299
New Hampshire	25	25	29
New Jersey	264	1,595	3,330
New York	3,110	9,822	7,439
Pennsylvania	1,987	9,207	5,072
Rhode Island		0	470
Vermont		0	500
TOTAL	6,244	30,185	25,522

MIDWEST	May-22	YTD 2022	YTD 2021
Illinois	213	2,590	9,723
Indiana	741	2,536	1,209
Iowa	472	1,960	624
Kansas	172	462	422
Michigan	72	3,711	1,991
Minnesota	95	941	5,803
Missouri	2	245	10,420
Nebraska	150	150	73
Ohio	236	4,654	2,136
Wisconsin	718	4,960	1,169
TOTAL	2,871	22,209	33,570

CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT
Table 3 (cont'd): JOB CUTS BY REGION, STATE

WEST	May-22	YTD 2022	YTD 2021
Alaska	182	182	0
Arizona	2,810	2,962	2,090
California	2,921	15,179	25,237
Colorado	472	846	1,956
Hawaii		0	1,498
Idaho		0	1,034
Montana		0	0
Nevada		0	303
New Mexico	13	313	574
North Dakota	20	20	333
Oklahoma	405	811	2,199
Oregon	177	1,112	1,390
South Dakota	7	60	120
Texas	1,115	3,934	28,351
Utah		783	0
Washington	317	3,351	38,164
Wyoming		0	16
TOTAL	8,439	29,553	103,265

SOUTH	May-22	YTD 2022	YTD 2021
Alabama	214	577	504
Arkansas		0	22
Florida	1,397	5,493	7,155
Georgia	356	1,771	6,238
Kentucky		1,626	648
Louisiana	59	422	266
Mississippi		0	1,223
North Carolina	143	3,817	2,348
South Carolina	360	1,517	1,519
Tennessee	120	1,898	7,068
Virginia	454	1,441	2,837
West Virginia	55	185	0
TOTAL	3,158	18,747	29,828

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JOB CUT ANNOUNCEMENT REPORT**

Table 4: JOB CUTS BY REASON

	May-22	YTD
Closing	2,509	22,169
No Reason Provided	4,895	19,717
Market Conditions	230	13,748
Cost-Cutting	8,782	12,430
Vaccine Refusal		10,465
COVID-19		2,939
Restructuring	1,720	2,859
Acquisition/Merger		2,615
Plant Fire		2,353
Contract Loss	1,635	2,258
Voluntary Severance/Buyouts		2,080
Financial Loss	488	2,075
Demand Downturn	358	2,054
COVID-19 Recovery		874
Bankruptcy		857
Relocation (Domestic)		335
Outsourcing Operations to Another US Company		280
Natural Disaster		250
Reorganization		225
Avian Flu Outbreak	95	95
Tobacco Tariffs		15
Consolidation		1
TOTAL	20,712	100,694

**CHALLENGER, GRAY & CHRISTMAS, INC.
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	562,510	318,165	240,233	151,122	1,120,908
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				55,696
AVG	195,478	182,376	179,201	190,258	

**CHALLENGER, GRAY & CHRISTMAS, INC.
JOB CUT ANNOUNCEMENT REPORT**

Table 6: ANNOUNCED HIRING PLANS

By Month	2022	2021	2020	2019	2018	2017	2016	2015
January	77,630	72,063	23,229	74,040	41,890	136,501	8,362	8,774
February	215,127	146,403	88,202	15,279	139,925	25,765	7,539	14,574
March	105,224	97,767	824,610	96,368	14,525	127,006	10,997	6,412
April	88,622	76,345	285,639	258,302	13,842	61,537	11,557	13,898
May	126,083	49,118	38,981	8,663	9,889	77,447	24,732	12,598
June		110,093	75,454	11,946	13,504	40,095	13,564	11,176
July		18,281	246,507	22,316	9,823	88,142	16,051	11,637
August		94,004	160,411	24,937	17,274	14,530	9,101	11,778
September		939,790	929,860	459,689	595,997	422,726	487,075	492,306
October		52,042	255,198	190,835	130,338	37,387	135,532	86,107
November		6,527	185,504	19,063	15,422	61,300	108,994	10,026
December		89,984	77,267	26,313	15,999	8,218	35,198	11,465
TOTAL	612,686	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654	868,702	690,751

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JOB CUT ANNOUNCEMENT REPORT
Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	22-May	YTD 2022	YTD 2021
Aerospace/Defense	200	10,075	10,296
Apparel		1,973	0
Automotive	680	23,479	8,655
Chemical		36	546
Construction	43	4,220	5,885
Consumer Products	62	10,846	11,657
Education	194	6,718	3,665
Electronics		4,400	2,729
Energy	58	3,297	3,493
Entertainment/Leisure	6,410	60,660	54,762
Financial	12,000	15,452	14,911
FinTech	82	1,347	975
Food	268	22,220	2,729
Government	679	61,413	66,230
Health Care/Products	152	21,212	30,594
Industrial Goods	774	11,016	15,238
Insurance		966	1,300
Legal		20	30
Media	6	2,270	725
Mining		1,025	850
Non-Profit		12,859	258
Pharmaceutical	300	4,647	1,347
Real Estate		4,172	1,594
Retail	102,030	245,841	118,665
Services	100	12,478	14,140
Technology	1,165	33,944	24,797
Telecommunications		6,176	1,830
Transportation	765	18,396	16,794
Utility		280	14,818
Warehousing	115	11,248	12,183
TOTAL	126,083	612,686	441,696