



CHALLENGER REPORT

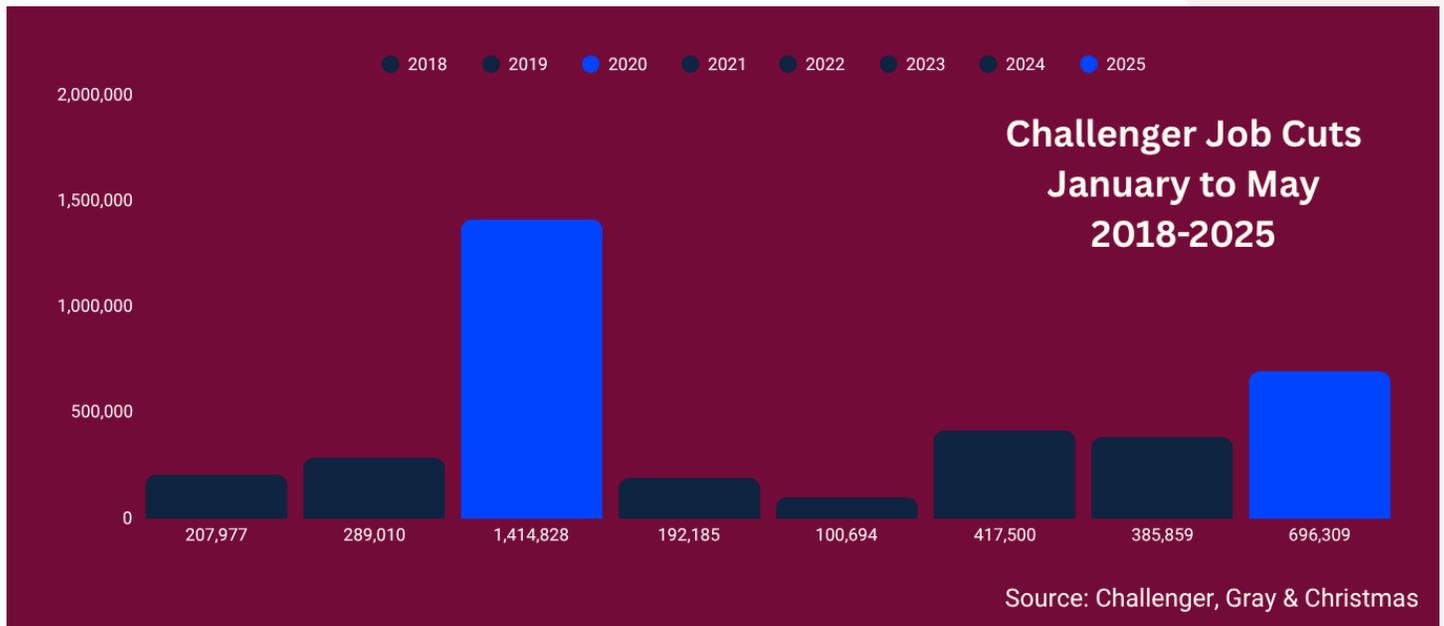
May 2025

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MAY JOB CUTS UP 47% OVER SAME MONTH LAST YEAR; CUTS SPREAD TO OTHER SECTORS THAN GOV'T FOR OTHER REASONS THAN DOGE

CHICAGO, June 5, 2025 – U.S.-based employers announced 93,816 job cuts in May, down 12% from 105,441 cuts in April, and up 47% from 63,816 announced in the same month last year, according to a report released Thursday from global outplacement and business and executive coaching firm Challenger, Gray & Christmas.

“Tariffs, funding cuts, consumer spending, and overall economic pessimism are putting intense pressure on companies’ workforces. Companies are spending less, slowing hiring, and sending layoff notices,” said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas.



Through May, employers have announced 696,309 job cuts, an increase of 80% from the 385,859 announced in the first five months of last year. It is 65,049 cuts away from matching the entire year’s total for 2024.

WHICH INDUSTRIES ARE CUTTING THE MOST IN MAY?

Services

The Services sector, which includes companies that service other companies such as commercial cleaning services and temporary staffing firms, announced 22,492 job cuts in May. This is the highest monthly total for the industry since May 2020, when 34,229 cuts were recorded. For the year, the sector has announced plans to cut 44,273 jobs, up 79% from the 24,770 cuts announced through this period last year.

Retail

Retailers followed with 11,483 job cut plans for a total of 75,802. This is a 274% increase from the 20,276 Retail job cuts announced in the first five months of 2024. Retail is the second-leading industry in job cuts this year behind the Government.

Technology

Technology continues to be a leading job-cut sector as it faces mounting and rapidly changing disruptions. Technology companies announced 10,598 job cuts in May for a total of 74,716 cuts in 2025. This is up 35% from the 55,207 cuts announced during the same period last year.

Non-Profits

Non-profits are being hit hard by losses in federal Government funding as well as rising costs and a shaky economy. These entities announced plans to cut 8,565 jobs in May for a total of 14,018 this year. That's an increase of 504% from the 2,320 announced by this point in 2024.

Media & News Cuts

The Media industry has announced 4,107 cuts so far in 2025, down 51% from the 8,410 cuts announced in the first five months of last year.

News, which Challenger tracks as a subset of Media and includes broadcast, digital, and print, has announced 1,035 job cuts so far this year, down 54% from the 2,239 cuts announced during the same period last year.

WHY ARE COMPANIES CUTTING IN 2025?

“DOGE Impact” remains the leading reason for job cut announcements in 2025, cited in 284,044 planned layoffs so far this year. This includes direct reductions to the Federal workforce and its contractors. Additionally, DOGE Downstream Impact, such as the loss of funding to private Non-Profits, was cited in another 10,459 cuts.

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Market and Economic Conditions were the second-most cited reason for workforce reductions, responsible for 131,257 cuts year to date, followed by Closings of stores, units, or plants, which led to 94,439 layoffs.

Restructuring accounted for 62,015 cuts, while Bankruptcy was attributed to 35,501. Notably, Technological Updates, including those related to AI implementation, led to 20,000 job cuts so far in 2025.

WHERE ARE JOB CUTS OCCURRING THIS YEAR?

Challenger tracks job cuts by company headquarters location, unless an announcement specifies the geographic location of the layoffs.

So far in 2025, the East region has experienced the largest year-over-year increase in job cuts, surging 234% from 121,055 to 404,523. This dramatic rise is largely due to significant reductions at Federal agencies headquartered in Washington, D.C., which account for 285,723 cuts alone. Other notable increases include New Jersey, which jumped from 4,040 to 22,239 cuts (a 450% increase), and New York, which rose 36% from 47,776 to 65,027. Meanwhile, some states saw sharp declines: Connecticut dropped from 7,576 to 1,215, Vermont declined 71%, and Massachusetts fell 26%.

The Midwest region saw a slight overall decline in job cuts, down 2.6% from 68,187 in 2024 to 66,416 in 2025. However, trends varied significantly by state. Ohio reported a 78% increase, rising from 15,547 to 27,671, and Nebraska surged from 489 to 4,374. On the other hand, Michigan fell 40%, Wisconsin dropped 73%, and Illinois declined by 33%.

In the West region, job cuts remained relatively steady, with a slight increase of 4.8%, rising from 150,105 in 2024 to 157,252 in 2025. California led the region with 93,586 cuts this year, up 42% from 65,798 last year. Arizona nearly doubled its total, while Washington remained largely flat. Notable decreases occurred in Nevada (down 84%) and Oregon (down 84%), and several states such as Idaho, Montana, and Wyoming reported minimal or no activity.

The South region reported a 46% increase in job cuts, rising from 46,512 in 2024 to 68,118 in 2025. Georgia posted one of the largest increases, with cuts jumping from 15,317 to 26,354 (up 72%). Florida and Tennessee also saw significant increases, while Louisiana, North Carolina, and South Carolina remained relatively stable or experienced slight declines.

HIRING PLANS IN 2025

Through May 2025, U.S. employers have announced 79,741 planned hires, up 57% from the 50,833 announced at this point in 2024. Though companies have announced more hiring plans this year than last, it remains historically low when compared to pre-pandemic and early-pandemic years.

“The current 2025 hiring pace is more aligned with 2012 (50,194 YTD) and 2013 (180,012 YTD) than with the rebound years of 2021–2022, suggesting that, while companies are adding workers, they are doing so cautiously,” said Challenger.

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Historical Hiring Comparison

- 2023 YTD: 101,833 hires
- 2022 YTD: 612,686 hires
- 2021 YTD: 441,696 hires
- 2020 YTD: 1,260,661 hires

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

	2025	2024
Government	284,827	36,325
Retail	75,802	20,276
Technology	74,716	55,207
Services	44,273	24,770
Warehousing	33,964	9,294

MONTH BY MONTH TOTALS

	2025	2024
January	49,795	82,307
February	172,017	84,638
March	275,240	90,309
April	105,441	64,789
May	93,816	63,816
June		48,786
July		25,885
August		75,891
September		72,821
October		55,597
November		57,727
December		38,792
TOTAL	696,309	761,358

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 2025	YTD 2024
Dist. of Columbia	285,723	34,150
California	93,586	65,798
New York	65,027	47,776
Texas	28,050	36,772
Ohio	27,671	15,547

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

	24-May	25-Apr	25-May	YTD 2024	YTD 2025
Aerospace/Defense	3,115	47	325	8,222	1,386
Apparel		125	233	5,578	1,409
Automotive	1,139	1,989	1,964	21,328	11,099
Chemical	38	37	333	1,046	2,196
Construction	260	451	505	3,848	1,860
Consumer Products	3,588	4,071	3,233	15,728	21,923
Education	2,354	3,001	2,870	20,246	10,113
Electronics	140	544	196	1,008	5,943
Energy	641	1,550	2,275	5,544	5,599
Entertainment/Leisure	9,180	2,147	2,683	17,599	11,167
Financial	455	1,857	3,795	30,058	21,634
FinTech	31			4,448	1,143
Food	1,988	1,632	729	15,421	7,255
Government	130	2,782	2,600	36,325	284,827
Health Care/Products	4,083	7,654	6,514	21,301	26,008
Industrial Goods	1,134	851	1,004	13,925	5,567
Insurance	311	310	276	1,393	2,622
Legal	2		292	102	292
Media	319	1,785	502	8,410	4,107
Mining			140	498	1,533
Non-Profit	1,196	2,496	8,565	2,851	14,018
Pharmaceutical	1,593	315	225	6,009	1,463
Real Estate	3,007	693	5	3,694	1,328
Retail	4,044	7,235	11,483	20,276	75,802
Services	5,184	3,731	22,492	24,770	44,273
Technology	7,771	27,021	10,598	55,207	74,716
Telecommunications	230	9,295	4,129	2,320	14,264
Transportation	2,501	1,662	1,677	20,627	7,356
Utility	7,400	110	266	8,783	1,442
Warehousing	1,982	22,050	3,907	9,294	33,964
TOTAL	63,816	105,441	93,816	385,859	696,309

Source: Challenger, Gray & Christmas, Inc.

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Table 3: JOB CUTS BY REGION, STATE

EAST	May-25	YTD 2025	YTD 2024
Connecticut	285	1,215	7,576
Delaware	119	209	0
Dist. of Columbia	3,127	285,723	34,150
Maine	80	4,597	384
Maryland	608	6,491	4,982
Massachusetts	1,370	7,069	9,592
New Hampshire	35	35	237
New Jersey	2,690	22,239	4,040
New York	20,233	65,027	47,776
Pennsylvania	2,166	11,270	8,657
Rhode Island	171	544	3,304
Vermont	18	104	357
TOTAL	30,902	404,523	121,055

MIDWEST	May-25	YTD 2025	YTD 2024
Illinois	1,892	7,654	11,355
Indiana	439	931	3,123
Iowa	843	4,190	3,649
Kansas	201	2,700	1,292
Michigan	1,276	9,626	15,995
Minnesota	607	4,533	5,413
Missouri	814	2,946	4,755
Nebraska	224	4,374	489
Ohio	1,860	27,671	15,547
Wisconsin	179	1,791	6,569
TOTAL	8,335	66,416	68,187

WEST	May-25	YTD 2025	YTD 2024
Alaska	1,572	1,602	70
Arizona	400	10,220	5,197
California	25,523	93,586	65,798
Colorado	554	3,067	3,595
Hawaii	119	431	1,293
Idaho		258	527
Montana		244	277
Nevada	86	1,390	8,796
New Mexico	203	203	705
North Dakota		0	5
Oklahoma		904	447
Oregon	578	1,119	6,792
South Dakota		373	600
Texas	3,625	28,050	36,772
Utah		281	1,660
Washington	7,864	15,496	15,699
Wyoming		28	1,872
TOTAL	40,524	157,252	150,105

SOUTH	May-25	YTD 2025	YTD 2024
Alabama	4,825	6,457	2,639
Arkansas		340	0
Florida	2,973	14,712	7,910
Georgia	1,100	26,354	15,317
Kentucky	313	2,455	1,912
Louisiana	145	145	1,214
Mississippi		660	567
North Carolina	189	4,160	5,381
South Carolina	786	1,849	2,203
Tennessee	261	6,476	3,939
Virginia	3,463	4,345	4,450
West Virginia		165	980
TOTAL	14,055	68,118	46,512

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Table 4: JOB CUTS BY REASON

	May-25	YTD 2025
DOGE Actions	872	284,044
Market/Economic Conditions	35,909	131,257
Closing	33,888	94,439
Restructuring	14,388	62,015
Bankruptcy		35,501
Technological Update (possibly AI)		20,000
No Reason Provided	463	18,781
Cost-Cutting	1,445	13,551
DOGE Downstream Impact	3,514	10,459
Contract Loss	832	8,853
Financial Loss	293	4,824
Demand Downturn	350	4,361
Tariffs	684	2,097
Acquisition/Merger	369	1,889
Relocation (Domestic)	124	1,054
Consolidation	245	987
Natural Disaster	140	726
COVID Recovery		705
Voluntary Severance/Buyouts	300	550
Government Regulations		140
Outsourcing Operations to Another US Company		76
TOTAL	93,816	696,309

Source: Challenger, Gray & Christmas, Inc.

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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				497,052
AVG	207,756	179,475	175,300	185,083	

Source: Challenger, Gray & Christmas, Inc.

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Table 6: ANNOUNCED HIRING PLANS

By Month

	2025	2024	2023	2022	2021	2020	2019	2018	2017
January	6,089	5,376	32,764	77,630	72,063	23,229	74,040	41,890	136,501
February	34,580	10,317	28,830	215,127	146,403	88,202	15,279	139,925	25,765
March	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		19,087	13,629	102,897	110,093	75,454	11,946	13,504	40,095
July		3,676	12,774	25,506	18,281	246,507	22,316	9,823	88,142
August		6,101	7,744	41,985	94,004	160,411	24,937	17,274	14,530
September		403,893	590,353	380,014	939,790	929,860	459,689	595,997	422,726
October		266,743	35,202	237,380	52,042	255,198	190,835	130,338	37,387
November		11,621	15,566	30,203	6,527	185,504	19,063	15,422	61,300
December		7,999	3,022	51,693	89,984	77,267	26,313	15,999	8,218
TOTAL	79,741	769,953	780,123	1,482,364	1,752,417	3,190,862	1,207,751	1,018,428	1,100,654
YTD		50,833	101,833	612,686	441,696	1,260,661	452,652	220,071	428,256
Monthly Average	15,948	64,163	65,010	123,530	146,035	265,905	100,646	84,869	91,721

Source: Challenger, Gray & Christmas, Inc.

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Table 7: ANNOUNCED HIRING PLANS

INDUSTRY	25-May	YTD 2025	YTD 2024
Aerospace/Defense		2,776	5,786
Apparel	100	198	310
Automotive	862	5,736	3,069
Chemical		40	439
Construction	165	165	2,127
Consumer Products	300	2,515	2,607
Education		0	220
Electronics	435	610	552
Energy		1,070	10,607
Entertainment/Leisure		28,000	1,400
Financial		75	0
FinTech		2,130	53
Food		192	2,679
Government		7,056	1,652
Health Care/Products	3,690	3,990	2,855
Industrial Goods	1,170	2,892	4,714
Insurance		12,000	0
Legal		0	0
Media		0	0
Mining		900	221
Non-Profit		0	60
Pharmaceutical		400	844
Real Estate		0	1,500
Retail		0	1,510
Services	228	298	731
Technology	1,000	5,510	4,094
Telecommunications	1,000	1,100	324
Transportation		305	125
Utility	733	1,493	525
Warehousing		290	1,829
TOTAL	9,683	79,741	50,833

Source: Challenger, Gray & Christmas, Inc.