

Q. There have been a number of layoffs announced in recent months. Does anyone gather information about how many layoffs there have been and how many people have been affected?

A. The Bureau of Labor Statistics (BLS) administers a program which gathers monthly layoff information, including the number of layoff events and the number of workers involved. The program, known as Mass Layoff Statistics (MLS), is a Federal-State cooperative effort which uses a standardized, automated approach to identify, describe, and track the effects of major job cutbacks, using data from each State's unemployment insurance database.

MLS Program

The layoffs identified under the MLS program are those defined to be "Mass Layoffs". Mass layoff events occur when a business establishment has at least 50 initial claims for unemployment insurance (UI) benefits filed against it during a consecutive 5-week period. Those establishments are then contacted by State agencies to determine whether those separations are of at least 31 days duration, and, if so, information is obtained on the total number of persons separated, the reasons for these separations, and recall expectations. Establishments are identified according to industry classification and location, and unemployment insurance claimants are identified by such demographic characteristics as age, race, sex, ethnic group, and place of residence. The program yields information on an individual's entire spell of unemployment, to the point when regular unemployment insurance benefits are exhausted. It provides databases of establishments and claimants, both of which are used for further research and analysis.

Data Availability

The MLS program provides detailed information on employment cutbacks and the resultant unemployment at the State and area level, including the location and industry of the firm experiencing the layoff, the reason for the layoff, the number of initial claimants for UI benefits, and the total number of persons separated. In addition, socioeconomic characteristics on UI claimants—such as sex, age, race, Hispanic origin, and residency—are available. These characteristics are collected at two points in time—when an initial claim is filed and when the claimant exhausts regular UI benefits. In between these points, the unemployment status of claimants is tracked through the monitoring of certifications for unemployment (continued claims) filed under the regular State UI program.

MLS data are published in monthly and quarterly news releases, and in an annual report. Monthly releases report summary layoff information whereas the quarterly releases report additional data obtained from employers having the layoffs—such as reason for layoff, number of workers, and recall expectations. Monthly data report summary information on establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Quarterly data report on establishments which have at least 50 initial claims filed against them during a 5-week period and where the employer indicates that 50 or more people were separated from their jobs for at least 31 days. Information is obtained on the total number of persons separated; the

reasons for separation; worksite closures; recall expectations; and socioeconomic characteristics on UI claimants. Annual reports summarize mass layoff data for each calendar year and contain individual State detail. Data are available for 50 States, the District of Columbia, and Puerto Rico, as well as by industry.

Mass Layoff Initial Claimants: Texas

Total All Industries

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1995				9,526	6,687	12,260	7,101	3,889	4,627	4,864	3,056	8,104	
1996	7,732	4,328	3,137	8,928	4,391	3,944	8,558	4,489	1,904	6,197	7,556	7,578	68,742
1997	12,059	5,001	3,965	6,245	10,015	4,049	7,513	8,289	2,547	6,413	6,429	5,749	78,274
1998	9,182	2,698	6,766	4,679	10,710	6,538	8,572	5,158	2,131	13,934	7,149	10,874	88,391
1999	8,988	5,819	5,615	10,185	6,932	5,943	11,056	4,310	4,471	9,409	5,525	6,054	84,307
2000	7,423	3,216	4,232	5,465	6,866	7,471	6,640	4,594	5,529	8,477	5,579	8,224	73,716
2001	6,258	7,074*	11,478*										

* preliminary

Source: Bureau of Labor Statistics

Uses of the Data

A wide variety of information is available from the MLS program. The data are being used by States in sub-State allocations of Federal funds for dislocated workers through the Economic Development and Worker Adjustment Assistance Act. Data may also be used for the analysis of ailing industries or geographic areas. They are also useful for the analysis of the causes and scope of worker dislocation, especially in terms of the human and economic costs, and the characteristics of dislocated workers. Workforce planners and labor market analysts may use the data in developing approaches to assist employers and/or workers at the local level. Firms considering expanding their operations or entering a labor market area could use the data to answer questions on potentially available labor supply.

historical time series is too short for development of a seasonally adjusted series. Benchmarking is not necessary since the MLS program is a universe, not a sample-based survey.

Mass Layoff Events: Texas

Total All Industries

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1995				74	71	94	65	38	32	51	27	74	
1996	80	38	33	78	48	44	71	56	22	63	78	42	653
1997	100	36	42	51	81	49	49	74	27	42	55	49	655
1998	86	31	32	54	83	53	70	56	24	102	57	81	729
1999	88	66	55	84	70	62	95	51	47	72	47	51	788
2000	76	37	40	47	67	68	52	39	44	65	61	75	671
2001	57	58*	76*										

* preliminary

Source: Bureau of Labor Statistics

Other Program Information

Companies having mass layoffs are not identified by name in MLS reports. The Bureau of Labor Statistics keeps the identity of such establishments confidential. Also, MLS data are not benchmarked or seasonally adjusted. The

To obtain additional information about the Mass Layoff Statistics program, contact the Bureau of Labor Statistics at MLSinfo@bls.gov or call 214-767-6970. Also, see the BLS Mass Layoff Statistics Homepage at: <http://stats.bls.gov/mlshome.htm>.

The above article is reprinted here from the April 2001 issue of the Texas Labor Market Review newsletter published monthly by the Labor Market Information Department of the Texas Workforce Commission. For comments or questions regarding this article, please contact the LMI Department at (512) 491-4922 or e-mail at lmi@twc.state.tx.us.