

Layoffs rise to recession-like levels through October, new report says

Employers have announced 1.1 million job cuts so far this year, the highest reading since the pandemic, private firm reports.

Today at 7:30 a.m. EST



By [Abha Bhattarai](#)

Layoffs accelerated in October, pushing 2025 job cuts to levels typically seen in recessions, according to newly released data from Challenger, Gray & Christmas, a private firm that tracks workplace reductions.

U.S. employers have announced 1.1 million layoffs so far this year — the largest reading since the pandemic recession and on par with 2008 and 2009 job cuts during the Great Recession, the firm's figures show. The data includes a recent spate of layoffs at major companies such as UPS, Amazon and Target, and adds to growing concern about a labor market slowdown.

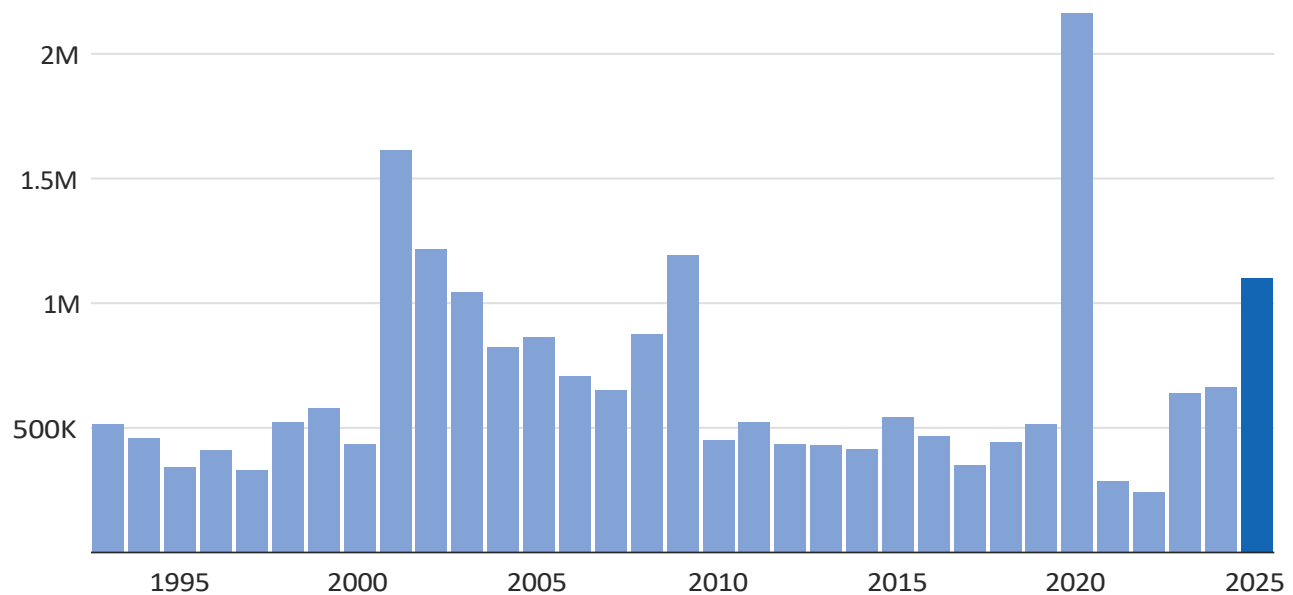
Employers cited cost-cutting and artificial intelligence as the top two reasons for job reductions in October.



“We’re entering new territory with these layoffs in October,” said John Challenger, the firm’s CEO. “We haven’t seen mega-layoffs of the size that are being discussed now — 48,000 from UPS, potentially 30,000 from Amazon — since 2020 and before that, since the recession of 2009. When you see companies making cuts of this size, it does signal a real shift in direction.” (Amazon founder Jeff Bezos owns The Washington Post.)

More than 1 million workers have been laid off so far this year

Number of job cuts, January through October of each year



Shaded areas indicate recessions

Source: Challenger, Gray & Christmas

ABHA BHATTARAI / THE WASHINGTON POST

Recent layoffs, the data shows, have been concentrated in technology, retail, service and warehousing jobs. Employers announced more than 153,000 job cuts last month, a 183 percent increase from the month before, marking the worst October for layoffs since 2003, the Challenger report said.

The government shutdown, now in its second month, has left policymakers and economists without official data at a critical moment. The job market in recent years has been a pillar of stability, keeping the economy humming despite high inflation and uncertainty. But there are growing signs that employers are pulling back, not just by curtailing hiring, but by slashing jobs altogether.

Still, the economy appears steady so far. The unemployment rate as of August, the latest month for which there is official data, was 4.3 percent, a relatively low level, although economists warn the picture could quickly change.

A separate report this week, from the paycheck processor ADP, showed that private companies added 42,000 jobs in October, a modest pickup after two months of declines. But the data also showed significant job losses concentrated in white-collar industries such as information (down 17,000 positions) and professional and business services (down 15,000).

The Federal Reserve, which has been focused on bringing down inflation, has recently shifted its attention to the labor market. The central bank last week cut interest rates by a quarter percentage point, citing new “downside risks” to employment.

“You see a significant number of companies either announcing that they are not going to be doing much hiring, or actually doing layoffs,” Federal Reserve Chair Jerome H. Powell said in a news conference after the decision. “We’re watching that very carefully.”

The spike in October layoffs, up 175 percent from a year ago, runs counter to recent trends, Challenger said. Although companies have typically avoided announcing job cuts at the end of the year, that seems to be changing this year as firms face new financial pressures and uncertainty from tariffs, federal funding cuts and emerging technologies.

Tech jobs in particular have been hit hard, with employers pointing to slowing demand and disruptions from artificial intelligence. Technology firms have announced more than 141,000 job cuts so far this year, according to Challenger, a 17 percent increase from the same period last year.

Scott Boggs lost his job as a software developer in Houston in late September. Since then, he’s had a few interviews but says it’s been much harder to find viable openings than the last time he was laid off, about 20 years ago. His most recent interview, on Wednesday morning, was a video call with an AI bot that lasted 12 minutes.

“I haven’t been on the job hunt very long, but it’s already been stressful,” said Boggs, 52. “I am hoping something lands in my lap, but based on what people have told me, what I’ve read, I’m not hopeful.”