

ARKANSAS EXPERIENCES MORE MASS LAYOFFS



The odds are good that if you are a loyal reader of this site then you already know what a mass layoff action is. For those of you who are new to the site here is an official definition of what exactly a mass layoff is, at least according to the federal government: “The **Mass Layoff Statistics (MLS)** program collects reports on mass layoff actions that result in workers being separated from their jobs. Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Extended mass layoff numbers (issued quarterly) are from a subset of such establishments—where private sector nonfarm employers indicate that 50 or more workers were separated from their jobs for at least 31 days. “ Now that you are all up to speed we can talk about the bad news for workers in the state of Arkansas. According to information released by the Bureau of Labor Statistics 2011 was a very bad year for Arkansas workers as they had a significant uptick in the number of mass layoff actions. You may be wondering exactly how bad it was for them? After all, we are in the middle of a global economic downturn so what could be remarkable. Well as it turns out in the state of Arkansas last summer was the worst one in the last ten years. They had the most mass layoffs and the highest number of people in search of unemployment benefits. The number of people was 16,665 workers, which is much more than there were in 2010. In 2010 it was only 7,748 who were part of mass layoffs actions. The industries that were hardest hit by the changes includes waste management and manufacturing. Administrative positions were also impacted by the layoffs disproportionately. While these grim numbers do not give hope to the workers in America’s heartland they are not the only state to be experiencing record bad news. For those of you who missed out on our [earlier coverage](#) here is an excerpt that will help get you up to speed in no time at all: “Now that we have that little matter cleared up lets talk about the numbers. Apparently in 2011 roughly 66,800 workers filed for employment in NJ after being let go in a mass layoff. That number was up significantly from 2010, when only 61,398 estimated workers were let go in mass layoff actions. This difference of a little more than 5,000 workers represents a significant increase. Since the unemployment benefit cap was raised to \$600 a week back in January of 2010 this means that the state of New Jersey could be paying as much as \$12,000,000 to this extra unemployed each month that they continue to receive benefits. Though, given who the employers that cut were it might be likely that the numbers are lower. When you consider that the number one sector to layoff was food services, in which salaries are usually quite low, their 60% of a paycheck benefit will most likely not reach the cap. The other two sectors doing large-scale layoffs were transportation and warehouse storage and while these areas do garner higher paychecks than retail services they represent a smaller portion of the overall layoffs. These actions drove the NJ state unemployment rate to about 9.3%, significantly higher than the national average. It’s not quite a whole percentage point higher, but a small increase could put it there.”

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