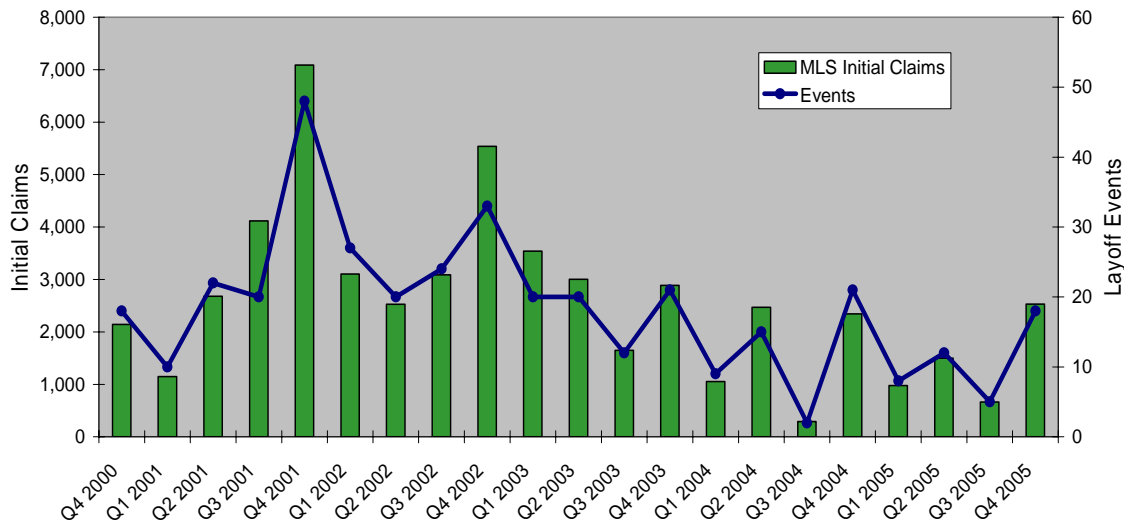


Mass Layoff Statistics Fourth Quarter 2005 Summary

The Mass Layoff Statistics (MLS) program records and tracks layoff events occurring in Colorado through the use of the unemployment insurance program. A mass layoff event occurs when at least fifty people from a firm file a first-time or initial claim for unemployment insurance during any consecutive five-week period with the workers being separated for more than 30 days.

The fourth quarter of 2005 showed a rise in the amount of mass layoff events and initial claims from the previous quarter, but a drop from the fourth quarter of 2004. A total of 18 mass layoff events were recorded from October through December of this year, up from 5 events during the third quarter of 2005 and slightly down from 21 events a year prior. The fourth quarter's mass layoffs included 2,528 initial claims filed for unemployment insurance, up 1,863 from one quarter ago.

Colorado Mass Layoff Events and Initial Claims



More than half of all extended mass layoff events occurred in the construction industry, mostly due to the seasonal constraints of the work. Manufacturing accounted for almost a quarter of the layoff events with mining, retail trade, transportation and warehousing, and administrative and waste services each experiencing one layoff event.

Close to two-thirds of all layoff events during the fourth quarter of 2005 were caused by seasonality, with contract cancellation being the second most common reason for layoffs.

Nationally 1,299 mass layoff events left 217,803 workers away from their jobs for at least thirty-one days. This was a large decrease from one year ago with 1,427 events and 273,967 separations. The nation experienced most of its layoff events (56%) due to seasonality-similar to that of Colorado.