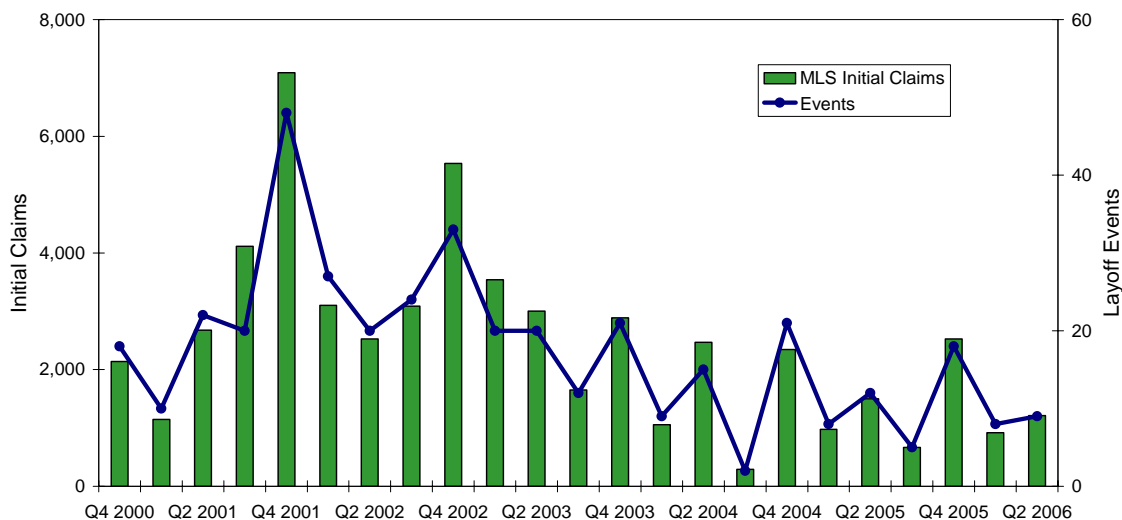


## Mass Layoff Statistics Second Quarter 2006 Summary

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.

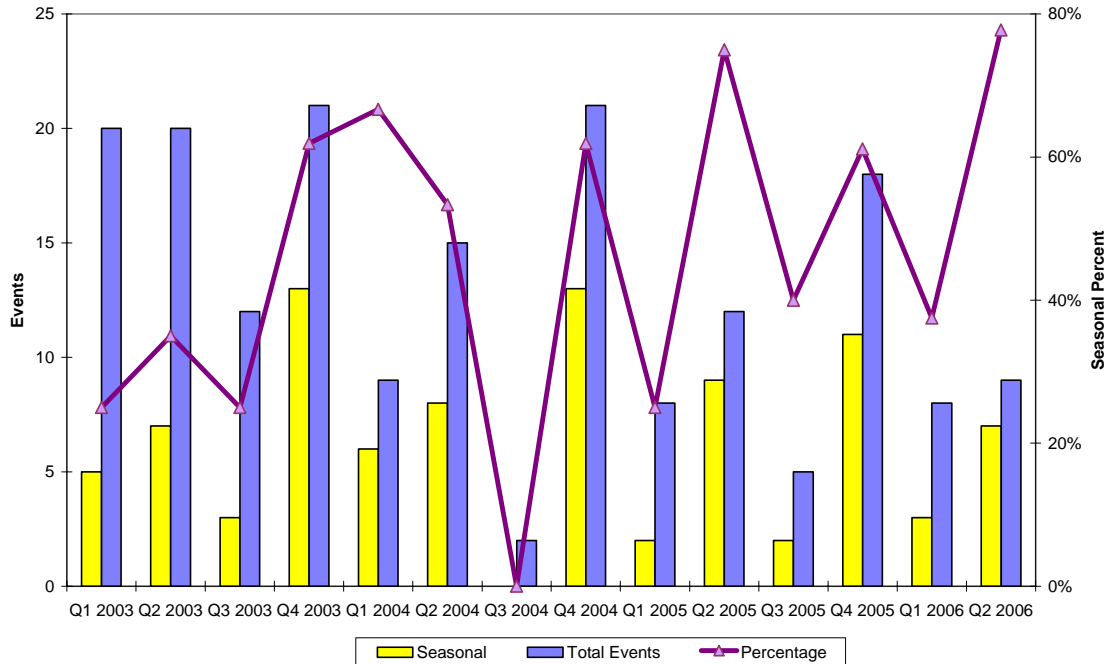
The second quarter of 2006 showed a slight increase in the number of mass layoff events and initial claims from the previous quarter but a decrease from one year ago. A total of 9 mass layoff events were recorded from April through June of this year, up from 8 events during the first quarter of 2006 and down from the 12 events from the second quarter of 2005. The second quarter's mass layoffs included 1,212 initial claims filed for unemployment insurance and a total of 12,583 total separations.

**Colorado Mass Layoff Events and Initial Claims**



Layoffs due to seasonality accounted for 78 percent of events, the highest percentage of seasonal events since the series began in 2003. The ends of the ski and school seasons during the second quarter caused a decrease in demand for many jobs, resulting in seasonal layoffs. The remaining layoffs were due to financial difficulty and business ownership change. Arts, entertainment and recreation and accommodation and food services each experienced three layoff events this quarter. Health care and social assistance, finance and insurance and transportation and warehousing each had one layoff.

## Seasonal Layoff Events



Nationally, 1,213 mass layoff events left 251,341 workers away from their jobs for at least thirty-one days. Layoff events and number of separations were slightly higher than second quarter a year ago. Layoffs due to seasonal work completion represented 37 percent of events across the country with 125,688 separations due to seasonal reasons. Internal company restructuring (bankruptcy, business ownership change, financial difficulty and reorganization) accounted for 15 percent of events and 17 percent of separations.

Twenty-one percent of layoffs during the second quarter took place in manufacturing industries, with most of these occurring in food manufacturing and transportation equipment manufacturing. Transportation and warehousing industries constituted 10 percent of layoff events, mainly in school and employee bus transportation.