

MARKET SIGNALS | MEGATRENDS

Beyond banks: AI layoffs spread to tobacco, chemicals and payments

.AI-linked job cuts have moved from tech into almost every industry, yet overall US layoffs are near historic lows. The cuts are targeted, not widespread, and the jobs data looks quite calm.

By **Manasee Kurlekar** | October 24, 2026



AI layoffs are everywhere except in the jobs data.

The list of companies cutting jobs “for AI” no longer looks like a tech list. Reuters’ tally covers job cuts tied to AI since October 2025, spanning firms from Microsoft to FICO. Tobacco, chemicals and payments are all on it. Australia’s WiseTech cut 2,000 jobs, a third of its global workforce, citing AI integration. Block cut nearly half its staff in an AI-focused restructuring.

Then there’s the other side. Some companies cut people to pay for AI. Meta told staff its plan to cut about 10% of its workforce, or 8,000 jobs, was partly needed to offset spending on AI infrastructure. In that case AI isn’t doing the work, it’s taking the budget.

The framing is also starting to slip. Amazon tied its October 2025 cuts to AI, but CEO Andy Jassy later told analysts the reduction was “not really financially driven and it’s not even really AI-driven.” He said it was about culture. “AI” has become the default explanation for a layoff, even when the reason is different.

So why don’t the jobs numbers move? The cuts are concentrated in corporate, support and back-office roles at large firms, which is a small part of a big economy.

US weekly jobless claims are at 194,000, near multi-decade lows. Many of the cuts are spread over years, like HP’s 4,000 to 6,000 cuts by end-2028, or happen through not replacing staff who leave.

That’s the real story for workers. The risk isn’t a sudden wave of layoffs. It’s that some kinds of jobs stop being hired for, quietly, one company at a time.

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