IOLEBA

GUILD AND ASSEMBLY | MOVING THE WORKFORCE INTO THE AI ERA

MID-YEAR REPORT | JULY 3, 2026

Mid-Year 2026: AI Layoffs, the Hiring Freeze, and the Coming Skills Shift

A recap of the top AI and jobs stories from the first half of 2026, and what they mean for workers, graduates, and small business builders.

From the Founder

Six months into 2026, the picture is no longer a forecast. It is a record. In January, at the economic congress in Davos, the IMF director stated that AI will require one billion people on our planet to be retooled for work. The numbers below show that the retooling has already begun, whether workers are ready or not. IOLEBA was built for this moment: a Guild and Assembly, modeled on the 800 year old system that protected artisans for centuries, helping members move from dependence on the traditional shareholder workforce to income they build and own.

Jim Craig, Founder and Director, IOLEBA

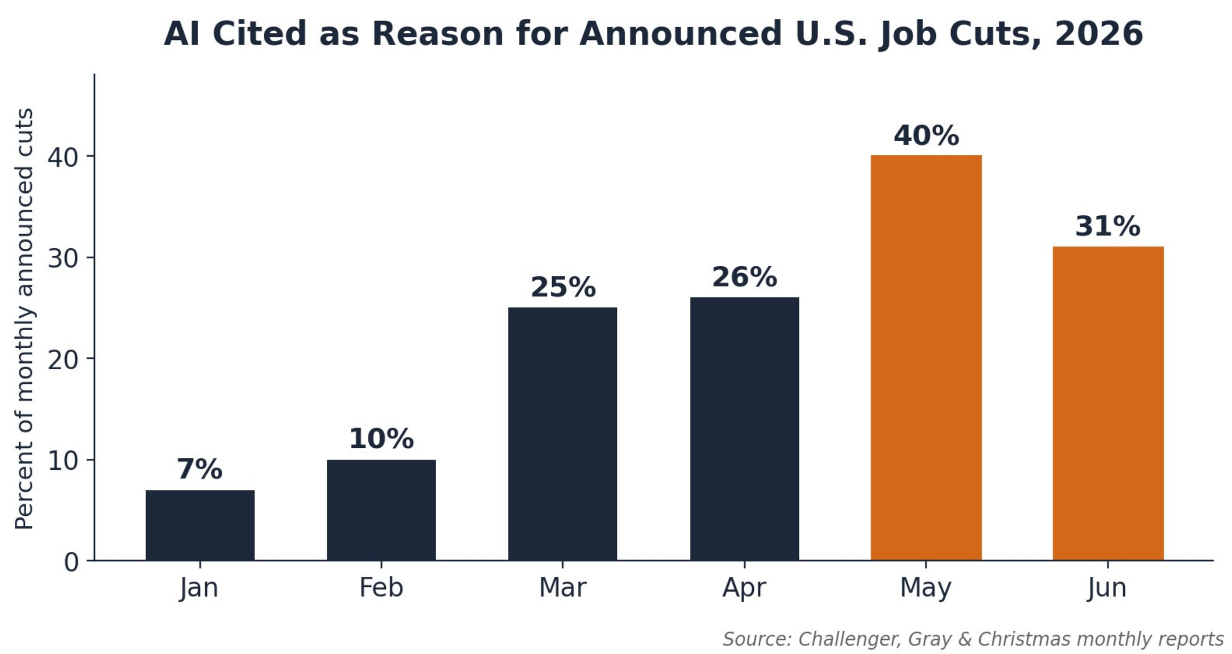
The Big Picture: AI Is Now the Number One Stated Reason for Job Cuts

For the first half of 2026, AI showed up in two ways: visible layoffs and a quieter hiring slowdown. According to outplacement firm Challenger, Gray and Christmas, AI has been the single most cited reason for U.S. job cuts for four consecutive months, named in more than 101,000 announced cuts through June, roughly 23 percent of all announced layoffs this year. The technology sector alone announced over 139,000 cuts in the first half, up 83 percent from the same period last year.

Economists caution that some companies may be using AI as a convenient label for cuts they would have made anyway. But the direction is unmistakable: budgets are moving from headcount to AI tools, data centers, and automation. Worker anxiety reflects it. One recent survey found nearly half of workers worry AI could take their job, as enterprise use of AI agents jumped roughly 90 percent in a single year.

- CBS News: AI job cuts are rising, but experts say layoffs are only part of the story
- CNBC: AI is now the leading reason companies give for cutting jobs
- TechRadar Pro: Half of workers worry AI will still take their job as use of agents soars 90 percent

The Numbers at Mid-Year



The trend line tells the story. In January, AI was cited in just 7 percent of announced U.S. job cuts. By May it was nearly 40 percent, the highest May layoff total since 2020, and AI remained the top stated reason again in June. Total AI attributed cuts in the first five months of 2026 already exceeded the full year total for 2025.

Major AI-Linked Layoffs So Far in 2026

- **Meta** began cutting roughly one in ten jobs, about 8,000 roles in the first wave, its largest reduction since 2023, while committing over 100 billion dollars to AI data centers and hardware. BBC coverage
- **Oracle** disclosed cuts totaling roughly 21,000 positions over twelve months, executed even as the company posted record income, with savings redirected to AI data centers. TechCrunch running list

- **Block** (Jack Dorsey) cut 4,000 jobs, nearly half its workforce, with Dorsey directly crediting AI tools and smaller, flatter teams. CFO.com analysis
- **Amazon** eliminated 16,000 corporate jobs in January, on top of 14,000 in late 2025, about 9 percent of its corporate workforce in three months.
- **Intuit** announced roughly 3,000 cuts, about 17 percent of its workforce, in a restructuring centered on reallocating resources toward AI.
- **HSBC** is weighing deep multi-year job cuts as part of an AI driven overhaul of the bank. Bloomberg report
- Across sectors, Reuters reports firms in finance, logistics, telecom, and media cutting roles while shifting investment aggressively into AI. Reuters, June 29

What CFOs and Employers Are Saying

Behind the scenes, finance leaders expect the pace to quicken. A Fortune survey found CFOs privately anticipate AI related layoffs running about nine times higher this year than last, though still far below the most extreme predictions. The common pattern: freeze or cut routine roles, then hire selectively for data, AI, and product skills. The result is a productivity paradox. Companies report efficiency gains while workers feel less secure and new graduates find the front door harder to open.

- Fortune: CFOs admit privately that AI layoffs will be 9x higher this year
- TechCrunch: The AI layoff wave is becoming a powder keg

New Graduates and Entry-Level Talent

For the class of 2026, AI is reshaping the first job landscape. Employers say they need fewer entry level staff because AI now handles routine research, reporting, and customer service, so entry level openings quietly disappear even where overall unemployment stays contained. The advice from experts is consistent: build AI complementary skills. Data literacy, prompt design, domain expertise, and the ability to manage, audit, and direct automated systems are the new foothold. This is precisely the ground IOLEBA's 14 module program covers.

- ABC News: Is AI to blame for hiring woes faced by college graduates?

Policy Watch: Government Begins to Respond

- **California** Governor Newsom signed Executive Order N-6-26 in May, directing the state labor agency to modernize layoff notification rules for AI driven displacement, with recommendations due by November.
- **Colorado** became the first state with a comprehensive AI Act in effect, as of June 30, 2026, setting new obligations for employers using AI in consequential decisions.
- **Worldwide,** governments continue debating AI safety, copyright, and displacement. Reuters maintains ongoing coverage: Reuters AI news

The IOLEBA View: A Lighthouse, Not a Lifeboat

The industrial revolution form of a workforce, built between 1870 and today, is ending. What replaces it is the AI era of family income: individuals and households building their own commerce with AI as the toolset. AI itself changes roughly every seven months, which is why IOLEBA is not a set of static courses. It is a living Guild and Assembly that updates its program as the technology moves.

Members start with the core 14 modules, expand into Module 15 and hands-on labs, and build a business of their own rather than depending on traditional shareholder employment. In the Fall of 2026 we launch a new Assembly where members, including displaced coders and career changers, interact and build a new form of commerce together. The IOLEBA membership fee of $49.95 includes the full program, the Assembly, and every new module released for one full year.

Join or learn more: ioleba.net (home and membership) | ioleba.online (blog and video)

Please consider IOLEBA a resource for people displaced by AI, for the Gen Z generation, and for every generation that follows.