

# Volvo truck plant lays off 734 workers ahead of contract deadline

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Volvo Trucks North America announced plans earlier this month to lay off 734 production workers, about one quarter of the workforce, at its New River Valley assembly plant in Dublin, Virginia. The announcement came just one day before workers at the plant voted by 96.3 percent to authorize strike action as part of negotiations between United Auto Workers (UAW) Local 2069 and Volvo. The current five-year labor agreement is set to expire in March 2016. Layoffs are set to begin in February 2016.

The New River Valley assembly plant is the largest employer in Pulaski County, with more than 2,800 workers at its 1.6 million-square-foot facility. It is also Volvo's largest truck manufacturing plant in the world, producing every Volvo truck and tractor-trailer in North America.

Just two months before the layoff announcement, Volvo unleashed plans to invest \$38.1 million for the building of a 36,000-square-foot "customer experience center" that would house a movie theater, training rooms and a one-mile track where prospective customers could watch the trucks be test driven. Governor Terry McAuliffe made a well-publicized visit to the plant for the unveiling of the customer experience center. Volvo workers were required to leave their workstations and attend the event.

Volvo spokesman John Mies told the *Roanoke Times* that the layoffs were purely due to weakening market demand and poor economic conditions in the US. He denied that the layoffs had anything to do with other issues at the plant.

In reality, the layoffs are a deliberate effort to intimidate workers and force them to accept a sellout contract in March. (Recently laid-off workers are still permitted to vote on the upcoming contract.) Volvo used this same approach to force through the current

contract, which was ratified in 2011. Shortly after that agreement, Volvo rehired about 700 workers who had been laid off as the contract deadline loomed.

UAW Local 2069 has taken no action in defense of the 734 workers it nominally represents. These workers are part of the second tier at the Volvo plant and make \$18.77 per hour (first-tier or "core" workers earn \$25.54 and represent roughly one third of the plant's workforce).

According to a UAW-conducted survey, the primary concern of all workers at the plant is the elimination of the two-tier wage system, a demand that the union has no intention of raising. Instead, UAW officials announced that their negotiating platform consists largely of minor changes to health care coverage and other issues that pertain only to first-tier workers.

Like Volvo, the UAW uses divide-and-conquer tactics to split the first- and second-tier workers. In this effort, UAW Local 2069 tries to schedule its informational meetings at times that are inconvenient to second-tier workers.

Against the interest of all of the workers, UAW Local 2069 gave Volvo 90 days of notice in advance of any strike, allowing the company time to stockpile inventory. The response of the union to the announced layoff of a quarter of its members is silent acceptance. No demonstrations have been called in support of laid-off workers, nor have any calls been made to mobilize workers at other Volvo plants or auto manufacturers outside of Dublin, even though such workers are ostensibly organized under the same union.

UAW Local 2069's Facebook page currently directs readers to "buy American" campaigns for Christmas gifts.

In the event that the UAW does call a strike, it will only be of the "Hollywood" variety, serving only as a

safety valve for workers' anger before the union calls them back to work, with or without a contract. Any contract promoted by the union will be a sellout, with the preservation of Volvo's profitability as the main priority.

As in countless instances in the past year alone, the UAW will prove that it does not work for autoworkers, but for management. Through isolating Volvo workers, the UAW has helped the company achieve an estimated 25 percent reduction in wages over the course of the last four contracts.

Workers at the New River Valley assembly plant should study and distribute the WSWS Autoworkers Newsletter and create action committees of rank-and-file workers to carry out a struggle for an end to the two-tier system, a 30 percent pay raise and full health care coverage. They will find allies in autoworkers across the US and the world, as well as among broad sections of workers in manufacturing, education, health care, and other industries.



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