

General Motors and Ford announce thousands of US layoffs

Shannon Jones
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General Motors announced Friday that it is indefinitely shutting down the third shift at its Spring Hill, Tennessee plant. The shift closure at the plant, which builds sport utility vehicles (SUVs), is slated for November. There are 1,000 workers on the shift, although GM says they may not all be affected.

At the same time, Ford has announced it will temporarily idle five car assembly plants employing some 20,000 workers before the end of the year in order to reduce swelling inventories. The company reported another US sales decline—two percent—in August. Ford's overall sales in the US are down four percent for the year.

The GM Spring Hill plant builds the Cadillac XT5 and GMC Acadia midsize SUVs. The company said the cuts were needed to reduce inventories. GM has a 105-day supply of the Acadias; a 65-day supply is considered normal.

Three of the Ford plants being idled are in the United States and the other two are in Mexico. The Ford Flat Rock plant south of Detroit will be down for two weeks. It builds the Lincoln Continental sedan and the Ford Mustang sports car. The Michigan Assembly plant, also outside of Detroit, will be down for a week. The plant builds the Focus sedan and the C-Max hatchback.

Both of Ford's assembly plants in Mexico are being temporarily idled as well. They include the Cuautitlan Assembly Plant, which builds the Fiesta sedan, and the Hermosillo facility, which makes the Fusion and Lincoln MKZ sedans. Cuautitlan will be down for three weeks and Hermosillo for two.

The fifth plant being impacted is Kansas City Assembly, which will see Transit van production halted for two weeks to fix a defect first reported in June. Ford is recalling about 400,000 of the vehicles due to a faulty drive shaft flexible coupling. The driveshaft could separate, causing loss of power, loss of control and damage to brake and fuel lines.

Kansas City Assembly will be down for a week starting September 25. Ford did not specify when the other layoffs would take place.

The massive Kansas City plant employs over 7,000 workers and produces the F-150 truck as well as the Transit commercial van. A worker with over two decades at the plant told the *World Socialist Web Site*, "They'll be shutting down the entire Transit van side of the plant, where I work, even though the vans are selling like a son of a gun. They say it could be two down weeks between now and the end of the year, but that could change at any time. It's pretty hush-hush."

Citing the grueling character of Ford's alternative work schedule and mandatory overtime, he continued, "There are actually a lot of people who had been looking for a down week. We were working five 10-hour days since about the beginning of the year. Everybody's been working Saturdays."

Permanent workers who are laid off at the factories will be eligible for Supplementary Unemployment (SUB) benefits, which pay some 80 percent of regular wages. However, with the collaboration of the United Auto Workers union, Ford and the other US auto companies have increased their hiring of temporary and part-time workers, who receive few, if any, benefits. This has made it less costly for all of the US-based car manufacturers to carry out layoffs.

Ford's other layoffs are directly related to declining passenger car sales, which have offset gains in the sale of light trucks. Ford's US car sales are down 20 percent for the year, while truck sales are up 3.6 percent. Overall, US car sales are down 12 percent for the year, with GM sales down 2.4 percent.

The layoffs at Ford and GM are a further indication that the seven-year boom in US auto sales is collapsing. Ford had an 81-day supply of vehicles in September, up from 77 days in August. The Transit van built in Kansas City is

the best-selling van in the US, but sales fell 15 percent in August and are down 21 percent for the year.

In August, Fiat Chrysler US sales were off by 11 percent, the twelfth consecutive month the automaker has seen a year-over-year decline. Jeep Cherokee sales are down 25 percent for the year and fell 50 percent in August. The company ended passenger car production in the US at the end of last year to concentrate on more profitable trucks and SUVs.

Fiat Chrysler is temporarily halting production at its Windsor, Ontario van plant in Canada. The company said the four-week shutdown, starting October 2, was related to new US airbag requirements, which involve retooling. Only 4,000 of the 6,000 workers at the plant qualify for SUB benefits. The others are newer hires who are not covered.

On August 31, the company permanently ended production of the Dodge Viper sports car in Detroit. The 87 workers are being transferred to other plants, Fiat Chrysler said.

Ford has extended the temporary layoff of about 140 workers at its Avon Lake Assembly Plant in Ohio through the end of the year. Production at the plant, which builds the F-650 and F-750 truck, had been cut to one shift. A UAW spokesman at the plant told local media that the layoffs could extend into the first quarter of 2018. Ford has thus far avoided permanent layoffs at its plants in the face of slowing sales.

In addition to the layoffs planned at Spring Hill, General Motors has this year carried out some 5,000 permanent layoffs at several plants, including 1,300 at the Detroit-Hamtramck Assembly plant and 1,200 workers at Lordstown, Ohio Assembly. A full shift is slated to be laid off this month at the Fairfax, Kansas assembly plant. These cuts were first announced in June.

The United Auto Workers has not opposed the job cuts. Instead, it has justified them on the grounds of “market conditions.” The layoffs come as further corruption revelations emerge concerning the illegal diversion of money from the Fiat Chrysler UAW National Training Center to high-ranking UAW officials.

The 2015 national auto contract, which provoked massive opposition from rank-and-file union members, was a milestone in the betrayal by the UAW of the interests of autoworkers. The contract, initially voted down by a two-to-one margin by Fiat Chrysler workers, maintained the hated two-tier wage system and the alternative work schedule, while allowing the auto companies to expand the use of contingent workers. It

gave senior workers a measly three percent wage increase after ten years of frozen wages, and failed to restore cost-of-living raises.

Now the so-called job protections in the contract are being exposed once again as worthless.

A worker with six years at the GM Detroit-Hamtramck plant who was laid off in March told the WSWS, “They are firing people right and left. It is a way they can cut jobs and not pay benefits.”

About the UAW, he added, “They are all crooks. We pay union dues for no representation. They manipulate the contract.”

The Ford Kansas City Assembly worker spoke about the UAW bribery scandal and the impact of the 2015 contract betrayal. He said, “The UAW doesn’t like anybody knowing their business. They’ll come down on your ass. They stole from our retirees. They’re crooks.

“The whole last contract, that really, really hurt. We had temps getting insurance, but now they’re no longer getting it. The morale sucks at the plant.

“Facebook and social media was the reason the last contract almost got out of their control. You can lie so much, but you can’t run from that.”

This month the UAW launched a website promoting its reactionary Build Buy USA campaign aimed at pitting American workers against their fellow workers in Mexico and other countries. The layoffs are not the result of Mexican workers “stealing” US jobs, as claimed by the union officials, but rather the outcome of the crisis of the capitalist profit system.

Autoworkers’ jobs and conditions are under attack all over the world by the massive transnational corporations, which, with the aid of the unions, pit workers in one country against those in other countries in a fratricidal race to the bottom. The attack on jobs can be fought only by autoworkers uniting across national boundaries in a common struggle against the auto corporations.



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