

# Layoffs at Fiat Chrysler's Kokomo transmission operations heighten concerns over outsourcing

**Shannon Jones**  
**19 October 2018**

Workers at the Tipton Transmission Plant and Indiana Transmission Plant I are continuing on layoff following the temporary idling of the facilities earlier this week by Fiat Chrysler. The facilities, part of FCA's Kokomo, Indiana, transmission operations, are on a two-week shutdown, according to management, to "adjust inventories."

The temporary layoff comes despite reported booming sales by FCA. The Tipton plant employs 944 workers and ITP I has 2,230 employees. ITP I builds nine-speed transmissions for both rear-wheel drive and all-wheel drive vehicles while Tipton produces nine-speed transmissions for the Jeep Cherokee, Jeep Renegade and Chrysler Pacifica mini-van. Meanwhile, Indiana Transmission Plant II is now down to a skeleton crew and FCA has not announced plans for the facility.

The Kokomo Transmission Plant, the largest Fiat Chrysler facility in the area, builds the eight-speed transmission for the fast-selling Dodge Ram truck and has not been impacted by the layoffs.

Following the shutdown, Fiat Chrysler said it would eliminate the Alternative Work Schedule currently in force at the two plants and revert to a standard eight-hour shift. The AWS involves three crews working 10-hour shifts without payment of overtime after eight hours or on weekends. Implemented with the collusion of the UAW, the 10-hour schedule has enabled management to maintain continuous operation. No reason was given for the change.

The shutdown comes amid concerns over job cuts at Fiat Chrysler's Kokomo transmission operations. Fiat Chrysler has subcontracted work on its eight- and nine-speed transmissions to Germany-based ZF Group, a

low wage supplier that has facilities in Lafayette, Indiana, and South Carolina. The company reportedly pays workers as little as \$9 an hour.

A Kokomo Fiat Chrysler worker told the *World Socialist Web Site Autoworker Newsletter*, "Tipton is shut down because they have been stockpiling nine-speed transmissions. They could shut down for a month. They can't do without the eight-speed, but Tipton and ITP I make nine-speeds."

The worker continued, "I think they are getting their ducks in a row for the 2019 contract," suggesting the shutdown was at least in part motivated by a desire to intimidate workers with the threat of job loss. "With circumstances being what they are and the level of corruption that has been exposed both on the part of Chrysler management and the UAW the company assumes the membership will demand a strike."

The announcement of temporary layoffs comes as the UAW is continuing to ignore an overwhelming strike mandate by Kokomo transmission workers given to Local 685 leaders relating to 200 unresolved grievances over health and safety issues. Local union officials have refused to answer workers' questions over the progress of negotiations and have not set a strike deadline, although workers voted to authorize a strike almost three months ago.

Neither has the UAW given any update on the condition of Eric Parsons, a Kokomo Casting Plant worker who suffered crippling injuries when a die slide fell on him September 5. The injury followed a 2017 report by the Indiana Occupational Safety and Health Administration (IOSHA) citing Fiat Chrysler for several "severe" safety violations at the facility. Predictably, the UAW-Fiat Chrysler joint safety

committee has produced no report or shed any light on the situation.

The Kokomo Fiat Chrysler worker noted, “I speculate the Local is under a gag order,” relating to the strike authorization vote. “Rick Ward, the local UAW president, has said a strike is not good for us or good for the company. That’s the only card that we have, and the UAW is suppressing it.”

A worker at ITP I told the WSWS *Autoworker Newsletter*, “They told TPTs (Temporary Part-Time workers) not to put a return to work date on their applications for unemployment. And it is right before Christmas.

“The TPT workers who didn’t get laid off are being forced to work in places the legacy workers don’t want to work. At the Kokomo Transmission Plant, they are forcing the TPTs to work 13-hour shifts.

“We don’t know where we are going after the layoffs. The change in shift times is tough, especially for parents with little kids. It is hard to arrange childcare. Management isn’t telling us anything. We found out only three days before (the layoff).”

The worker noted that the company had been stockpiling nine-speed transmissions. “There are over 100,000 in our bank. The nine-speed isn’t selling. We don’t have the Chrysler 200 (passenger car) anymore.”

The worker said that safety concerns had only been heightened by the injury to Eric Parsons. “It’s like it got swept under the rug. It’s hush, hush. I heard that he was a skilled trades worker and that he was told to fix a problem (with a die cast machine) and he said you had to wait to let it cool down. They told him to fix it or get fired.”

The worker continued, “There are a lot of problems with younger workers being intimidated. There is a problem with the union being buddy-buddy with management.”

Pointing to the ongoing federal investigation into UAW corruption that has already led to the indictment and conviction of high-ranking management and union officials, the ITP I worker added, “I can’t see how any of the UAW contracts are valid.”

The Socialist Equality Party and the WSWS *Autoworker Newsletter* urge Kokomo transmission workers to initiate the formation of a rank-and-file committee independent of the UAW to take up the functions that the union has abandoned, including

oversight over health and safety conditions. This committee should set a firm strike deadline and present a list of demands to management. Workers must link their struggle with workers across the industry, including auto parts workers, as part of a common fight to defend jobs and safety conditions.



To contact the WSWS and the Socialist Equality Party visit:  
**[wsws.org/contact](http://wsws.org/contact)**