

# Fiat Chrysler announces elimination of shift at Illinois plant, axing nearly 1,400 jobs

Marcus Day  
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In an expansion of the auto giants' worldwide restructuring and assault on jobs, Fiat Chrysler Automobiles (FCA) announced Tuesday that it would cut an entire shift from its Belvidere Assembly Plant in northern Illinois, laying off 1,371 workers. The company will reduce production to just two shifts at the factory starting May 6, eliminating the "C" shift.

The Belvidere plant, located approximately 75 miles northwest of Chicago, is one of the largest employers in the economically depressed Rockford area, with 5,131 hourly workers and 333 salaried employees, according to company data. Since 2017, workers there have produced the Jeep Cherokee SUV, which previously was built at FCA's Toledo, Ohio, plant.

The company, the media and local politicians have all sought to downplay the cuts. As of this writing, the United Auto Workers (UAW) union, which has collaborated with the corporations in destroying hundreds of thousands of jobs over the last 40 years, has maintained a guilty silence on the layoffs, issuing no public statements either at the national or local level.

Instead, both the union and media have lauded the company's announcement, also made Tuesday morning, that it plans to invest \$4.5 billion in the Detroit area.

In a multi-page press release, the company claimed it would expand production at five sites in Detroit; redevelop the idled Mack Avenue Engine Complex into a new assembly plant; retool plants to allow for the eventual production of hybrid and electric models; and add 6,500 jobs.

There is ample reason to believe that a substantial portion of the jobs and investments will never be realized. In a lengthy disclaimer at the end of the press release, the company lists numerous caveats, stating their lofty promises "are based on the FCA Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties.

They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them."

However, the UAW predictably responded to the announcement by seeking to promote the maximum illusions in the company's assurances.

UAW Vice President for Fiat Chrysler Cindy Estrada—widely despised by autoworkers for her role in negotiating backroom deals with companies—praised FCA, while seeking yet again to foment nationalist hatred of foreign workers. "At a time when the Detroit area and other communities are seeing auto plants without work and in jeopardy of closing while companies continue to ship vehicles into the US from Mexico, China, Korea and other countries it is exciting to see that we can work with FCA and secure good union jobs here in Michigan."

Promoting reactionary American chauvinism and slavish corporatism in equal measure, she continued, "I look at today's investment as a reward for the efforts of our membership and a show of confidence that the members of the UAW are the best auto workers in the world."

Both the promises of investment in Detroit and the job cuts at Belvidere will be held up by FCA and the UAW as the proverbial "carrot and stick" in the run-up to the expiration of its contract in September this year.

The Big Three and the union alike are looking forward to the contract expirations with dread, fearing a full-blown revolt by autoworkers, who rebelled against the UAW's first attempt to ram through a pro-company agreement at FCA in 2015. They hope to use the threat of job losses or promises of new jobs to extract more wage and benefit concessions, while accelerating their joint effort to rid the plants of higher-paid experienced workers and replace them with a low-paid workforce of largely contingent workers.

The layoffs at Belvidere are part of the ongoing global

jobs massacre in the auto industry. Following General Motors' announcement last November that it planned to close five plants and lay off nearly 15,000, virtually all the top automakers have announced intentions to carry out job cuts, with Ford, Honda, Jaguar Land Rover and Nissan all announcing plant closings or mass layoffs in countries throughout Europe, North and South America in recent weeks.

In a terse and cold-blooded statement, FCA claimed the cuts at Belvidere were in response to a softening market. "We are aligning production with global demand," said company spokeswoman Jodi Tinson. However, the Jeep Cherokee, the sole vehicle now produced at the plant, sold in record numbers in 2018, up 41 percent from the year before. In 2017, FCA invested \$350 million to retool the Belvidere plant for production of the Cherokee, which was moved from the Toledo Jeep plant.

In a worthless gesture, Tinson continued that the company would "make every effort to place indefinitely laid-off hourly employees in open full-time positions as they become available based on seniority." However, FCA has every intention of permanently forcing out better-paid "legacy workers."

The production drawdown threatens not only the jobs of workers at FCA's main assembly and stamping plant, but hundreds or more additional jobs at nearby parts suppliers, such as Magna and Yanfeng Automotive Interiors.

FCA is awash in cash. The company took in \$8.16 billion in pre-tax profits in 2018 and has announced its intentions to issue its first dividend since Chrysler was taken over by Fiat in 2009, planning a €1 billion (\$1.13 billion) payout to its shareholders later this year. This would be in addition to a special dividend of €2 billion (\$2.3 billion) if the company successfully finalizes the sale of its Italy-based components firm Magneti Marelli.

For his part, FCA CEO Mike Manley, who replaced Sergio Marchionne following the latter's death last June, is set to be awarded \$14 million this year if he meets performance targets.

No one should believe that the UAW has been caught by surprise by the announcement of layoffs. Workers at Belvidere have reported rumors swirling for months of the potential shift elimination, many coming from union stewards and officials. The UAW's silence on the job cuts demonstrates once again its criminal collusion with the company and contempt for workers.

Since 2017, an unfolding corruption scandal and federal investigation has revealed that FCA executives funneled

millions of dollars of bribes to UAW officials in order to secure "company friendly agreements."

The UAW, like the trade unions more broadly, are hostile to any struggle to defend jobs, wages or the most basic interests of workers. It is a business enterprise—run by executives with six-figure salaries—whose main purpose is to suppress any resistance by workers to the companies' demands.

Autoworkers at Belvidere should reject with contempt FCA's plans for layoffs. Workers' rights to a good-paying job are non-negotiable!

Preparations must be made now to organize an opposition independently of the UAW to fight back against the company-union conspiracy for a new round of restructuring and brutal concessions. Autoworkers should form rank-and-file committees to carry out a struggle against plant closings, layoffs and givebacks throughout the auto industry, and establish connections with their brothers and sisters in Mexico, Canada and other countries who face the same fight.

Such committees should raise demands that correspond to what workers actually need—the abolition of all tiers, the conversion to full-time of all temporary and part-time workers, a 40 percent wage increase, the rehiring of all laid-off workers—instead of what the companies claim they can afford.

On February 9, workers marched in a demonstration outside GM headquarters called by the Steering Committee for the Coalition of Rank-and-File Committees and the *WSWS Autoworker Newsletter*. The event was the first response of class-conscious workers aimed at mobilizing broad resistance in the working class independently of the unions. It won wide support among workers both in the US and internationally, including among striking auto parts workers just across the border in Matamoros, Mexico.

Mass struggles are looming on the horizon. We urge all autoworkers who agree with the need to prepare a leadership for a fight back to contact us today. You can also message us on our Facebook page to chat with us.



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