

# John Deere announces layoffs, salary buyouts for US workers

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At the end of June, Deere & Company, the farm and heavy equipment giant, announced a round of buyouts for salaried employees in the US. A week later, it sent notice it was laying off workers at two plants in Iowa: 82 at John Deere Davenport Works and 35 layoffs at its Deere Waterloo Foundry.

Last week, Deere revealed it had canceled its plans to lay off 82 workers at its Davenport Workers plant. The rest of the layoffs and buyouts will continue.

According to the Iowa Workforce Development, the Waterloo Foundry layoffs will go into effect August 3. The foundry currently has 409 active production employees and 99 salaried workers.

Salaried Deere workers have between July 1 and July 31 to accept the buyout or risk being furloughed. Deere carried out a similar buyout program, also known as a voluntary separation program, last November. The buyout program is intended to force out higher paid, older workers to be replaced by lower-paid and lower-skilled workers. Jen Hartmann, Deere's director of public relations, said workers exempt from the buyout program are IT, manufacturer's precision agriculture, data and analytics workers at Deere's Moline, Illinois, corporate headquarters.

Deere has laid off hundreds of workers since last August, when the company announced it would slash costs to increase profits through "organizational efficiency," which the WSWs warned meant new rounds of layoffs.

The new layoffs come amidst the global COVID-19 pandemic, leading to a decline in Deere's profits. Compared to last year, for its second quarter fiscal report, released in May, Deere saw a large drop in sales. Equipment sales fell 20 percent to \$8.22 billion, farm equipment sales were down 18 percent to \$5.97 billion and forestry equipment plummeted 25 percent to

\$2.26 billion. Overall, net income declined 41 percent to \$666 million.

In a newsletter to stockholders, Deere said, "Responding to [customer] demand in the face of the pandemic has been a challenge as a result of various regulatory, economic, and other barriers that have affected production facilities and the supply chain."

The pandemic, which the WSWs has described as a "trigger event," is being seized on by corporations across the world to cut costs and boost profits. Deere is intent on making workers pay for the decline in sales.

Nothing, though, is being done by the United Auto Workers (UAW), which legally represents some 11,000 Deere workers, to stop the layoffs. Over the past decade, Deere has laid off thousands of workers with the full complicity of the UAW.

At the same time, the UAW has collaborated with Deere to keep its US plants open as the pandemic continues to sweep across the Midwest. Citing national security concerns by the Trump administration, Deere has kept all of its US plants running through various shutdown orders and restrictions.

In a joint letter published in May, Ray Curry, secretary-treasurer of the UAW, and Bradley D. Morris, vice president of global labor relations and continuous improvement at Deere, claimed that the "health and safety" of workers was their highest priority.

Meanwhile multiple Deere workers have fallen ill to the virus. In March, at least one worker tested positive at the Dubuque Works plant in Iowa, leading to a temporary shutdown lasting less than 24 hours. In April, a Waterloo Foundry worker tested positive, however the plant did not temporarily shut down. In May, a worker at the Grovetown, Georgia, tractor plant tested positive and the plant remained open.

It is likely that a high number of positive cases have

gone unreported. A John Deere worker from Iowa told the WSW, “At least 30 workers have tested positive at the Waterloo Foundry plant. There have been quite a few out on COVID-19 protocol, meaning they’ve tested positive and have to take ten days off. It’s quite a ridiculous situation. We’re being given a facemask to take home and wash every day. Meaning, we have to take this possibly contaminated mask home with us, which could infect family members. The company should be providing new face masks every day!”

Deere workers confront a life or death situation. As the pandemic worsens, the UAW will do nothing to protect them. The union has completely abandoned autoworkers, which has led to multiple deaths and thousands of sickened workers.

Forming rank-and-file safety committees, autoworkers are fighting back by taking the safety and livelihoods of their brothers and sisters into their own hands. In the statement “Build rank-and-file safety committees at every workplace to save lives!” written by the FCA Jefferson North, Sterling Heights and Toledo Jeep Rank-and-File Safety Committees, calling for the expansion of rank-and-file committees, they wrote:

We call on all workers—including autoworkers, educators, meatpacking workers, retail and service workers, logistics workers and airline workers—to build rank-and-file safety committees. Workers in essential jobs must have PPE, regular testing and safe conditions.

It is up to all workers to get on the same page and work together to fight this pandemic. The unions won’t do it. Governors like Gretchen Whitmer in Michigan won’t do it. They even want to reopen the schools, which would threaten the lives of millions of students and teachers. It is up to workers to defend ourselves.

With the pandemic taking more lives every day, action is urgent.

Deere workers should heed the call from their brothers and sisters in the auto industry and form rank-and-file safety committees at their workplaces.

*For help starting a rank-and-file safety committee at your factory, send an email to the WSW Autoworker*

Newsletter at [autoworkers@wsws.org](mailto:autoworkers@wsws.org) to learn more.



To contact the WSW and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**