

Stellantis cuts jobs at Illinois auto plant one month after merger

Marcus Day**24 February 2021**

Global automaker Stellantis—formed from the merger of Fiat Chrysler and France's PSA Group last month—announced Tuesday that it had indefinitely laid off 150 workers at its Belvidere Assembly Plant in northern Illinois. The plant, roughly 70 miles northwest of Chicago, employs 3,374 hourly and 206 salaried workers across two shifts, according to the latest company data.

The layoffs were carried out last Friday, February 20, said Jodi Tinson, a spokesperson for Stellantis, in a statement cited by the *Detroit News*. In justifying the cuts, the company said in a statement, “The Stellantis plant in Belvidere, Ill., is rebalancing its staffing levels as it realigns production to meet global demand for the Jeep Cherokee.”

Neither the United Auto Workers union national office nor UAW Local 1268 in Belvidere have commented publicly on the sackings.

The layoffs at Belvidere are a swift exposure of the hollowness of claims by Stellantis' executives that the €43 billion (\$53 billion) merger of its predecessor companies, FCA and PSA, would not entail any job cuts. The company has said it is expecting €5 billion (roughly \$6.1 billion) in cost savings annually from the consolidation.

As the WSWS warned in an article last month, promises by corporate executives to spare jobs and factories following such a significant tie-up are worthless, “as decades of shuttered plants and mass layoffs have shown. Industry analysts are already pointing to Stellantis' excess production capacity, particularly at its Italian plants, and the large number of brands (14), several of which perform poorly, in the new firm's portfolio.”

The Belvidere layoffs are an opening shot in what will inevitably be an attempt by the company to

increase its profitability through mass job cuts, factory closures and other brutal cost-cutting measures, as the global automakers engage in a fierce struggle to dominate electric vehicles and other new technologies, and with the industry continuing to be roiled by the impact of the COVID-19 pandemic and ongoing semiconductor shortages.

Stellantis is scouring its global workforce and operations—with some 410,000 employed at plants on virtually every continent—for “inefficiencies,” “redundancies” and any areas it views as performing poorly. On the same day the layoffs at Belvidere were announced, CEO Carlos Tavares, who earned a reputation as a relentless cost-cutter and “turnaround” specialist while helming PSA Group, met with union representatives in Italy to discuss why average labor costs at the company's Italian plants are higher than their European counterparts, according to media reports.

In addition to job cuts, Stellantis is already enacting changes to work rules aimed at ratcheting up the exploitation of workers. The company is moving forward with its implementation of a brutal 12-hour, seven-day schedule for skilled trades at its Sterling Heights Assembly Plant north of Detroit in April, despite provoking an immediate outcry among workers at both SHAP and other plants when the plan was first revealed last October.

For its part, Belvidere Assembly has faced years of job cuts, despite a \$350 million retooling of the plant by FCA in 2017. Employment has dropped by nearly 2,000 over the last two years. The factory employed 5,464 hourly and salaried workers as recently as February 2019, compared to 3,580 in the company's latest figures. An entire shift was cut in 2019, with over 1,400 workers put out of a job or forced to relocate

hundreds of miles away to one of the company's Detroit-area plants.

The plant has also been hit by temporary shutdowns and slowed production in recent weeks due to the semiconductor shortage in the auto industry. Belvidere was idled the week of February 8, putting workers on temporary layoff. Workers have raised questions on Facebook about whether the plant will continue to face rolling shutdowns in the coming weeks due to the lack of parts.

For several years, auto industry analysts have raised questions about the long-term future of Belvidere Assembly and whether it may eventually be targeted for shutdown, given the plant's distance from Detroit, where FCA/Stellantis has consolidated much of its US production.

Each round of job cuts has had an especially painful impact on the region. Belvidere Assembly is one of the largest and best-paying manufacturing employers in the Rockford metropolitan area, which has been hammered by decades of deindustrialization, with an unemployment rate regularly outpacing the average in Illinois.

A worker at the plant told the WSWS *Autoworker Newsletter*, "A lot of people are in shock. They're having a meeting tomorrow about those who will be laid off indefinitely."

Temporary part-time workers (TPTs) have also recently been let go, according to the worker. "We don't have part timers either. They told them not to come in until further notice."

The US auto companies have brought on large numbers of TPTs and other temporary workers throughout the coronavirus pandemic, as full time workers have either been infected or taken leaves of absence to protect themselves or their families from it. The ability of Ford, General Motors, and FCA to vastly expand their temporary workforces was one of the key concessions included in the 2019 sellout contracts negotiated by the UAW, and over the last year the union has given its full backing to the widespread utilization of temps, who pay union dues but are paid less and have fewer benefits.

The UAW has been instrumental in facilitating the decades-long corporate assault on autoworkers' wages, benefits and working conditions, with the union working to suppress opposition and sow divisions

among workers. In return, the union received millions of dollars in bribes from then-Fiat Chrysler, as revealed in the multi-year federal corruption investigation, for which Stellantis pled guilty just last month.

More recently, the UAW worked with the auto companies to engineer the premature reopening of the auto industry in May 2020, in what proved to be the early stages of the deadly pandemic, after plants were forced to be shut down by a wave of wildcat strikes by autoworkers in March. The union served as PR reps for the corporations' bogus claims of enacting adequate safety measures, while covering up the spread of COVID-19 throughout the plants over the past year and victimizing workers who spoke out on unsafe conditions.

In response, autoworkers have increasingly sought to take matters into their own hands, initiating rank-and-file safety committees, independent of the UAW, at a number of factories in 2020. The committees have asserted that workers' health *and* jobs are non-negotiable rights, demanding the shutdown of non-essential factories during the pandemic and full income protection for workers.

To conduct a fight for job security, health, safety and all their other rights, workers at Belvidere should link up with their brothers and sisters at other plants around the country and internationally and initiate their own rank-and-file safety committee. Contact the WSWS today to learn more about forming a committee.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact